

17 March 2023

NON-RENOUNCEABLE ENTITLEMENT OFFER CLEANSING NOTICE UNDER SECTION 708AA(2)(F) OF THE CORPORATIONS ACT 2001 (CTH)

The Directors of GTI Energy Ltd (ASX: GTR, **GTR** or the **Company**) give notice under section 708AA(2)(f) of the Corporations Act 2001 (Cth) (**Corporations Act**).

GTR announced on 16 March 2023 it is seeking to raise approximately \$1,354,935 (before costs) by way of a fully underwritten non-renounceable entitlement offer (**Entitlement Offer**).

Under the Entitlement Offer, eligible shareholders are invited to subscribe for one (1) fully paid ordinary share (**Offer Shares**) for every ten (10) fully paid ordinary shares held as at 5.00pm (AWST) on 23 March 2023. Investors subscribing for Offer Shares will also be eligible to receive one (1) free attaching option for every two (2) Offer Shares issued. Full details of the underwriting arrangements and the potential impact on the Company are outlined in the Offer Document.

GTR confirms that:

1. The securities will be offered pursuant to the Entitlement Offer without disclosure under Part 6D.2 of the Corporations Act.
2. This notice is being given under section 708AA(2)(f) of the Corporations Act.
3. As at the date of this notice, GTR has complied with:
 - a) the provisions of Chapter 2M of the Corporations Act as they apply to GTR; and
 - b) section 674 of the Corporations Act.
4. As at the date of this notice, there is no excluded information of the type referred to in sections 708AA(8) and 708AA(9) of the Corporations Act that is required to be set out in this notice under section 708AA(7) of the Corporations Act.
5. The potential effect that the issue of securities will have on the control of GTR, and the consequences of that effect, will depend on a number of factors, including investor demand. To the extent that eligible shareholders fail to take up their entitlements under the Offer, the percentage of holdings of those shareholders in GTR may be diluted by those other shareholders who take up some, all or more than their entitlement. An outline of the most likely scenarios is as follows:
 - a) If all Eligible Shareholders take up their Entitlement, the Entitlement Offer will have no effect on the control of the Company.
 - b) In the more likely event that some but not all Eligible Shareholders participate in the Entitlement Offer, any Eligible Shareholder that fails to take up their Entitlement will have their percentage holding in the Company diluted by those other Eligible

Shareholders who take up some, all or more than their Entitlement, the Shortfall, or by the Underwriter as follows:

- (i) Eligible Shareholders who have applied for their full entitlement of Offer Shares under the Entitlement Offer will be offered an opportunity to apply for further shares in excess of their entitlement (**Additional Shares**). Additional Shares will only be available under the if all Eligible Shareholders have not taken up their full entitlements under the Entitlement Offer.
- (ii) To the extent that any shortfall remains after allocation of Additional Shares, the Directors (at their discretion) may offer any Shortfall to other investors in accordance with the ASX Listing Rules and Corporations Act.
- (iii) The Company does not anticipate that the placement or non-placement of the Shortfall by the Directors will have any material effect on the control of the Company, and does not expect there to be any consequences for shareholders other than a normal dilutionary effect in respect of shareholders who do not accept their Entitlement.
- (iv) To the extent that any Shortfall remains after the allocation of Additional Shares, that final Shortfall will then be taken up by the Underwriter pursuant to the terms of the Underwriting Agreement (**Underwritten Securities**). The Underwriters will be required to take up those Underwritten Securities. The potential effect of control that may arise as a result of the Underwriting Agreement is set out in section 5.5 of the Offer Document.

-Ends-

This ASX release was authorised by the Directors of GTI Energy Ltd. Bruce Lane, (Director), **GTI Energy Ltd**