

Carbonxt Secures \$750,000 Convertible Note Funding

Carbonxt Group Ltd (ASX: CG1) (Carbonxt or the Company) advises that it has secured additional funding support from major shareholder Phelbe Pty Ltd through the issue of Convertible Notes.

Convertible Notes

- The Company will issue up to 750,000 Convertible Notes, each with a face value of \$1.00, bearing interest at 9.5%, exercisable at \$0.10, and expiring three years from the date of issue.
- The Convertible Notes will convert into a total of 7,500,000 fully paid ordinary shares.
- Convertible Noteholders will receive one free-attaching option for every three Convertible Notes held (1:3), exercisable at \$0.10 with a three-year term.
- The securities will be issued under the Company's existing ASX Listing Rule 7.1 placement capacity.

Use of Funds

Proceeds from the Convertible Note issue will be used for:

- Capital expenditure associated with the expansion of the Company's pellet manufacturing facility in Minnesota, and
- A further investment of US\$250,000 in New Carbon Processing, LLC, increasing Carbonxt's ownership interest to 48.1%

Working capital requirements will also be supported.

Following the issue of these securities, the Company will lodge an Appendix 3G with ASX.

Phelbe Pty Ltd is not considered a related party for the purposes of Chapter 10 of the ASX Listing Rules.

- ENDS -

This announcement has been authorised for release by the Board of Directors.

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About Carbonxt

Carbonxt (ASX:CG1) is a cleantech company that develops, and markets specialised Activated Carbon products, focused on the capture of contaminants in industrial processes that emit substantial amounts of harmful pollutants. The Company produces and manufactures Powdered Activated Carbon and Activated Carbon pellets for use in industrial air purification, wastewater treatment and other liquid and gas phase markets.

