

Convertible Note and Placement

Carbonxt Group Ltd (ASX: CG1) (Carbonxt or the Company) advises that it has secured additional funding support from major shareholder Phelbe Pty Ltd through a combination of Convertible Notes and a placement of fully paid ordinary shares.

Convertible Notes

- The Company will issue up to 400,000 Convertible Notes, each with a face value of \$1.00, exercisable at \$0.08, and expiring two years from the date of issue.
- The Convertible Notes will convert into a total of 5,000,000 fully paid ordinary shares.
- The Convertible Notes will be issued under the Company's ASX Listing Rule 7.1 placement capacity.
- Phelbe Pty Ltd is not considered a related party for the purposes of Chapter 10 of the ASX Listing Rules.
- Each Convertible Note will carry one free-attaching option (1:1), exercisable at \$0.10 with a two-year term, consistent with the Convertible Notes issued in June 2025.
- As the Company currently has no remaining placement capacity for the options, their issue will be subject to shareholder approval at the upcoming AGM.
- If shareholder approval is not obtained, the interest rate on the Convertible Notes will increase from 9.5% to 20%, and the term will extend from two years to five years.

Placement

- The Company has also completed a placement of up to 8,000,000 fully paid ordinary shares at \$0.075 per share, raising \$600,000.
- The Placement Shares will be issued to Phelbe Pty Ltd under the Company's ASX Listing Rule 7.1A capacity.
- The placement price represents a 10.4% discount to the 5-day VWAP of CG1 shares to 16 October 2025, the last trading day prior to this announcement.
- The Company will lodge a cleansing notice under section 708A(5) of the Corporations Act 2001 in connection with the placement shares.

Use of Funds

Proceeds will be used for working capital and for a further investment in New Carbon Processing, LLC, with an additional US\$750,000 funded, increasing Carbonxt's ownership interest to 45.9% of New Carbon Processing, LLC.

A separate ASX announcement to be released today provides a detailed update on construction progress at the Kentucky facility.

Following the issue of these securities, the Company will lodge an Appendix 2A and 3G with ASX. All securities issued under this announcement will rank equally with existing fully paid ordinary shares on issue.

- ENDS -

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

Enquiries

Warren Murphy

Managing Director | Carbonxt Group Limited

P +61 413 841 216

E w.murphy@carbonxt.com

Mark Flynn

Investor Relations | irX Advisors

P +61 416 068 733

E mark.flynn@irxadvisors.com

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.