ASX RELEASE **30 May 2019**

Finance Facility and Redemption of Convertible Notes

As previously announced on 30 April 2019, Carbonxt Group Ltd (ASX:CG1) advises that it has entered into a new finance facility with PURE Asset Management Pty Ltd ("PURE") and Skye Equity Pty Ltd (together the "Lenders") to provide additional expansion funding and to redeem the existing Convertible Note facility.

The key terms of the new facility are:

- Redemption of the existing $2.5m Convertible Note facility. The interest rate on this facility was 8.0% per annum.
- A new facility agreement for $5.5m, representing $3.0m of additional funds.
- The interest rate on the new facility is 9.5% per annum with a term of four (4) years.
- The facility is secured.
- The issue of warrant shares to the Lenders at 60 cents per share.

The Board maintains its forecast to be cash flow positive by June 2019.

About:

PURE Asset Management

PURE is a leading provider of hybrid growth capital to Australia's most compelling ASX-listed small capitalisation companies. Founded in 2018, PURE funds working capital, acquisitions and buybacks via structures that are less dilutive than equity capital, offering companies an alternative to direct equity markets.

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About Carbonxt

Carbonxt's core business is the development and sale of specialised and advanced Activated Carbon (AC) products, including Powdered Activated Carbon and Activated Carbon pellets for the removal of pollutants and toxins in industrial processes. Its products are used in industrial air purification, waste water treatment and other liquid and gas phase markets, primarily for the capture of mercury and sulphur in order to reduce harmful emissions into the atmosphere, as required by global regulations. Carbonxt's products are non-brominated, providing a key competitive advantage by eliminating the corrosion and damage caused to plant equipment when using brominated products.