ASX RELEASE **30 October 2019**

Carbonxt completes equity raising

Carbonxt Group Limited (Carbonxt or the Company) is pleased to announce a successful institutional placement (Institutional Placement) raising approximately $4.0m (before costs) with strong demand from existing and new institutional investors.

Carbonxt will also offer existing shareholders the opportunity to participate in a Share Purchase Plan (SPP) with new shares (New Shares) to be issued at the same price as the Placement.

Capital raised under the Institutional Placement and SPP will be used primarily to fund working capital associated with growth in revenue.

The Institutional Placement consisted of approximately 11.1m shares to be issued at $0.36 per share. Approximately 4.15m shares will be issued within the Company's existing placement capacity under ASX listing rule 7.1 raising approximately $1.5m (before costs) with settlement of the unconditional tranche expected to occur on Wednesday 6 November 2019.

A further 6.96m shares will be issued at $0.36 per share subject to the Company refreshing its placement capacity under Listing Rule 7.4 at the Company's annual general meeting (to be held late November) to raise approximately $2.5m (before costs) (Conditional Placement), with settlement expected to be early December.

The pricing of New Shares represents:

- a 13.3% discount to the last closing price of $0.415 on 25 October 2015;
- a 11.2% discount to the 10 trading day Volume Weighted Average Price (**VWAP**) up to and including 25 October 2019.

Carbonxt Managing Director, Warren Murphy, commented: "We are very pleased with the support for this capital raising, and are happy to welcome a number of high quality investors to our share register. We continue to see strong demand for the Company's differentiated products, which are having a positive impact on the environment."

The Offer was Lead Managed by Shaw and Partners Limited.

Share Purchase Plan

Carbonxt's existing eligible shareholders will be given the opportunity to subscribe for New Shares at the same offer price as the Institutional Placement of $0.36 per share for a maximum of $30,000 per shareholder under a SPP. The SPP aims to raise a maximum of $1.0m with a maximum of approximately 2.78m shares to be issued. An eligible shareholder is any shareholder recorded on Carbonxt's share register at 7.00pm AEST on Tuesday, 29 October 2019 with a registered address in Australia or New Zealand.

Carbonxt reserves the right to scale back applications at its absolute and sole discretion should the total demand exceed $1.0m. When determining the amount (if any) by which to scale back a SPP application, Carbonxt may consider a number of factors, including the size of an applicant's shareholding in the Company after the SPP record date, and the date on which an application was made with earlier applications given precedence.

Further information will be sent to eligible retail shareholders in a booklet (SPP Booklet) expected to be lodged with ASX and despatched on or around Thursday, 7 November 2019. The SPP Booklet and the accompanying application form (Application Form) will contain instructions on how to apply. Shareholders should consider the SPP Booklet in full, including the Plan Terms and Conditions, before deciding whether to participate in the SPP. New Shares issued under the SPP will rank equally with existing shares on issue on the date of allotment. Shareholder approval is not required for the issue of New Shares under the SPP.

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About Carbonxt

Carbonxt (ASX:CG1) is a cleantech company that develops and markets specialised Activated Carbon (AC) products, primarily focused on the capture of mercury and sulphur in industrial processes that emit substantial amounts of harmful air pollutants. The Company produces and manufactures Powdered Activated Carbon and Activated Carbon pellets for use in industrial air purification, waste water treatment and other liquid and gas phase markets. The Company was incorporated in 2001 and listed on the ASX in January 2018.