ASX RELEASE **5 May 2021**

CARBONXT RAISES $2.1m for PELLET PLANT EXPANSION

Carbonxt Group Limited (Carbonxt or the Company) is pleased to announce that it has received firm commitments for $2.1m (before costs) in a placement to sophisticated and professional investors.

- The Placement will fall within the Company's available placement capacity under ASX Listing Rule 7.1 for 9m shares with the additional 5m shares ("**Placement")** subject to an EGM to be held in June 2021.
- Each New Share will be intitled to options on a 1:2 basis at a strike price of $0.24 ("**Options**"). The Options have a term of two years from issue. These Options will be subject to approval by Shareholders at the abovementioned EGM
- Management and directors of the Company will subscribe for at least $400,000 of New Shares on the same basis as the Offer ("Management Placement"). This latter placement will be subject to approval by Shareholders at the abovementioned EGM.

Carbonxt will also offer existing shareholders the opportunity to participate in a Rights Issue or Share Purchase Plan (SPP) with new shares (New Shares) and Options to be issued on the same or similar terms as the Placement. The exact nature of this offering is being discussed with our legal advisers and appropriate documentation will be issued to shareholders in the near future. Existing shareholders will be offered up to $2m of New Shares and the offer is intended to be underwritten to $1m. An eligible shareholder is any shareholder recorded on Carbonxt's share register at 7.00pm AEST on Tuesday, 4 May 2021 with a registered address in Australia or New Zealand.

Capital raised under the Placement, Rights/SPP and Management Placement will be used primarily to fund the development of the Company's Activated Carbon Pellet products and for working capital purposes.

The pricing of New Shares represents:

- a 3.4% premium to the last closing price of $0.145 on 30 April 2021;
- a 2.47% discount to the 10 trading day Volume Weighted Average Price (**VWAP**) up to and including 30 April 2021.

Carbonxt Managing Director, Warren Murphy, commented: "We are extremely pleased to see the level of support from a number of new high-quality investors, as well as the continued support of existing shareholders. We are now well funded and excited about the potential we can leverage from our strong portfolio of cleantech products".

Sanlam Private Wealth and Sixty-Two Capital acted as Co-Managers to the Offer.

This announcement has been authorised for release to ASX by the Board of Directors of Carbonxt Group Limited.

ENDS

For Investor Enquiries
Warren Murphy
Managing Director
+61 413841216
w.murphy@carbonxt.com

About Carbonxt

Carbonxt (ASX:CG1) is a cleantech company that develops and markets specialised Activated Carbon products, primarily focused on the capture of mercury and other 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, waste water treatment and other liquid and gas phase markets.