5 January 2024

Bundaberg BioHub Secures Construction Funding

Highlights

- **Bundaberg BioHub, which owes LPE circa $6.1m ($5m capital works fund plus capitalised accrued interest and other costs), has secured construction funding to develop the BioHub that delivers a pathway towards fully repaying the Total Debt (defined below) during H1 2024**
- **Bundaberg BioHub has prepaid $230k to LPE which represents interest for Q1 2024 calculated at 15% per annum on the $6.1m Total Debt**
- **Repayment of the Total Debt has been extended until 28 June 2024, with interest payments due at the end of April and May 2024 (interest for Q1 2024 having been prepaid)**
- **In the interim, construction work on the BioHub is set to commence shortly and such works are expected to improve the value of the project towards the "as if complete" valuation of $30m[1]**

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LPE Chairman, Justin Pettett, commented: "The Board has taken a flexible and pragmatic approach towards working with Bundaberg BioHub in order to secure a realistic pathway to ensure the $6.1m Total Debt is fully repaid together with the 15% annualised interest rate. With construction funding already secured for Bundaberg BioHub, coupled with Q1 2024's interest pre-payment, the Board is optimistic that it will be fully repaid by mid-2024."

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Embedded electricity provider, Locality Planning Energy Holdings Limited (**ASX: LPE**) (the **Company** or **LPE**), is pleased to provide an update on the Bundaberg BioHub Pty Ltd (**BioHub**).

LPE has varied its agreement with the BioHub and further extended the repayment date for the full repayment of the capital works funds (including all outstanding interest and legal fees) until 28 June 2024 (the **Revised Arrangement**). As part of the Revised Arrangement, all outstanding interest and legal costs as at 31 December 2023 have been capitalised into the capital works funds and, as at 1 January 2024, the total amount is $6,158,082.20 (the **Total Debt**).

On and from 1 January 2024, interest will accrue on the Total Debt at 15% per annum (accruing daily). Where any amount payable by BioHub under the Revised Arrangement is not paid to LPE in the manner required on or before its due date for payment, default interest will be payable on the outstanding amount calculated at 22.5% per annum (accruing daily) for the period for which such outstanding amount is overdue.

[1] As per the valuation report dated August 2023 on the Bundaberg BioHub by Australia's leading, independent property advisory firm, Charter Keck Cramer Pty Ltd

The BioHub has paid LPE (as payment in advance of interest for the period 1 January 2024 to 31 March 2024) $230,295.40. A further amount of $76,375.71 is payable on 30 April 2024, and another $78,937.82 is payable on 31 May 2024 representing interest on the Total Debt for those months. Full repayment of the Total Debt is to be made by 28 June 2024.

LPE retains its second registered mortgage security interest in the BioHub however, during the construction phase and draw down of funding from the construction lender, LPE is subject to certain restrictions in relation to the exercise of its security. Now that funding is secured, construction of the BioHub will begin to move the project valuation towards the $30m "as if complete" valuation which further strengthens LPE's second mortgage security position.

Authorised by the Chairman.

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About LPE

LPE is a fast-growing electricity provider to strata communities challenging the way customers receive their electricity; leaders in innovation, supporting communities to think of tomorrow. With first to market technology, LPE has delivered renewable solutions for apartment living and carbon neutral centralised hot water systems, creating shareholder value through long term supply agreements that provide strong recurring revenue.

LPE predominantly service the Queensland energy market, selling electricity, hot water, solar and battery systems to strata communities. Supporting those living in strata communities to reduce their carbon footprint and energy bills with no upfront cost.

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