



CARBON REVOLUTION LIMITED
(ASX: CBR)

ASX & MEDIA RELEASE

26 April 2021

CARBON REVOLUTION SUCCESSFULLY COMPLETES INSTITUTIONAL ENTITLEMENT OFFER AND PLACEMENT

Summary

- \$31.9 million raised in the Institutional Entitlement Offer, with a take up rate of 90.3% by eligible institutional shareholders¹
- \$41.6 million raised through the Placement, which received demand from both existing and new investors
- Retail Entitlement Offer opens Friday, 30 April to raise an additional \$21.5 million
- Proceeds from the Institutional Entitlement Offer and Retail Entitlement Offer and Placement (together the "Equity Raising") are to fund Phase 1 of the first Mega-line. They are anticipated, together with additional working capital financing arrangements, to provide sufficient funding for Carbon Revolution to reach cash flow breakeven²

Carbon Revolution Limited (ASX: CBR or the "Company") is pleased to announce today that it has successfully completed the institutional component ("Institutional Entitlement Offer") of its underwritten 1 for 4.38 accelerated non-renounceable entitlement offer ("Entitlement Offer") and the underwritten Institutional Placement ("Placement") that was announced on Friday, 23 April 2021 to raise \$73.5 million at a price of \$1.60 per share.

Chief Executive Officer Jake Dingle said "We are grateful for the support of our institutional shareholders and their participation in the Equity Raising, which provides the funding required to proceed with construction of Phase 1 of the first Mega-line. Phase 1 of Mega-line is expected to provide an additional circa 75,000 wheels per annum capacity and is underpinned by the expected volume from the four new OEM formal agreements to initiate detailed design and engineering. The expected step change in production scale and economics from the Mega-line will support the Company's pathway towards profitability.

¹ Excludes Ronal AG and Deakin University who did not participate (as foreshadowed in the investor presentation separately lodged with the ASX on Friday, 23 April 2021).

² This excludes funding any capital expenditure for Phase 2 of Mega-line (and associated program-specific tooling and development capex).

“The management team is now focused on executing the Mega-line strategy which in the first instance includes collaborating with our OEM customers on detailed engineering and design work, and successfully delivering on the key milestones of the vehicle programs that relate to these formal agreements. We are also working closely with our project partners to commence sourcing of the Mega-line. The Phase 1 Mega-line construction activities will be carefully coordinated to avoid impacting these programs.”

Institutional Entitlement Offer and Placement

The Institutional Entitlement Offer had a take-up rate by eligible institutional shareholders of 90.3%³.

Under the Institutional Entitlement Offer, Carbon Revolution will issue circa 20.0 million Carbon Revolution fully paid ordinary shares (each a “New Share”) at a price of \$1.60 per share to raise \$31.9 million. Under the Placement, Carbon Revolution will issue circa 26.0 million New Shares, also at a price of \$1.60 per share to raise \$41.6 million.

New Shares issued under the Institutional Entitlement Offer and Placement will rank equally in all respects with existing shares and are expected to be allotted and commence trading on the ASX on a normal settlement basis on Wednesday, 5 May 2021.

Carbon Revolution expects its trading halt to be lifted and Carbon Revolution shares to recommence trading from market open today.

Carbon Revolution confirms that, pursuant to Listing Rule 7.1, the Placement is being undertaken within its existing placement capacity and does not require shareholder approval⁴.

Retail Entitlement Offer

The retail component of the Entitlement Offer (“Retail Entitlement Offer”), which is fully underwritten, is expected to raise a further \$21.5 million. The Retail Entitlement Offer opens on Friday, 30 April 2021 and will close at 5.00pm (Melbourne time) on Friday, 14 May 2021.

Retail shareholders who have a registered address in Australia or New Zealand (“Eligible Retail Shareholders”) will be able to subscribe for 1 New Share for every 4.38 fully paid ordinary shares in Carbon Revolution held as at 7:00pm (Melbourne time) on the Record Date of Tuesday, 27 April 2021, at the Offer price of \$1.60 per New Share.

Under the Retail Entitlement Offer, Eligible Retail Shareholders may apply for additional New Shares in excess of their entitlement up to a maximum of 50% of their entitlement under an oversubscription facility (“Oversubscription Facility”). Additional New Shares will only be available under the Oversubscription Facility to the extent that there are entitlements under the Retail Entitlement Offer that are not taken up by Eligible Retail Shareholders. The scaleback of applications for additional New Shares under the Oversubscription Facility will be subject to the terms set out in the retail offer booklet.

³ Excludes Ronal AG and Deakin University who did not participate (as foreshadowed in the investor presentation separately lodged with the ASX on Friday, 23 April 2021).

⁴ Carbon Revolution obtained a standard waiver from ASX allowing it to calculate its placement capacity having regard to the New Shares to be issued under the Entitlement Offer.

Eligible Retail Shareholders are encouraged to carefully read the retail offer booklet which sets out further details about the Retail Entitlement Offer. Carbon Revolution expects to lodge the retail offer booklet with the ASX and despatch it to Eligible Retail Shareholders on Friday, 30 April 2021. The retail offer booklet will also enclose personalised entitlement and acceptance forms.

Key Dates for the Retail Entitlement Offer

Description	Date
Record Date for determining Entitlements to subscribe for New Shares under the Entitlement Offer	7:00pm (Melbourne time) Tuesday, 27 April 2021
Retail offer booklet despatched and Retail Entitlement Offer opens	Friday, 30 April 2021
Retail Entitlement Offer closes	5:00pm (Melbourne time) Friday, 14 May 2021
Results of the Retail Entitlement Offer announced to ASX	Wednesday, 19 May 2021
Settlement of Retail Entitlement Offer	Thursday, 20 May 2021
Allotment of New Shares issued under the Retail Entitlement Offer	Friday, 21 May 2021
Normal trading of New Shares issued under the Retail Entitlement Offer	Monday, 24 May 2021

The above timetable is indicative only and subject to change. The commencement of trading and quotation of New Shares issued under the Entitlement Offer and the Placement is subject to confirmation from ASX. Subject to the requirements of the Corporations Act, the ASX Listing Rules and other applicable laws, Carbon Revolution reserves the right to amend this timetable at any time, either generally or in particular cases, without notice.

Further Information

Further details of Phase 1 of the Mega-line and the Equity Raising are set out in the investor presentation separately lodged with the ASX on Friday, 23 April 2021. The investor presentation contains important information that shareholders and investors should consider, including details about key risks and international offer restrictions with respect to the Equity Raising.

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Approved for release by the Board of Directors of Carbon Revolution Limited

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