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QPM completes a successful $30m Placement

$40m Non-Binding Convertible Note Facility Term Sheet signed

Clear Funding Pathway Established for the 112MW Isaac Power Station

Highlights

✓ **QPM has completed a Placement to raise $30.3 million at $0.035 per share to Institutional and Sophisticated Investors ("Placement"):**

- **The Placement was oversubscribed and strongly supported by existing and new Institutional and Sophisticated Investors; and**
- **Funds raised under the Placement will allow QPM to order critical long lead items, such as transformers, and continue project development activities to maintain the Isaac Power Station ("IPS") Project Schedule target of commissioning in mid-2027.**

✓ **In parallel, QPM has entered into a non-binding term sheet with an Australian Investment company ("Potential Note Investor") for a $40m convertible note investment:**

- **Key terms are consistent with market precedent transactions for facilities of this nature;**
- **QPM has granted the Potential Note Investor an 8 week exclusivity period to finalise the transaction; and**
- **The Potential Note Investor also subscribed for $2 million of shares in the Placement.**

✓ **With these two transactions, QPM has established a clear pathway to funding the development of the Isaac Power Station ("IPS") including the following facilities:**

- **A $180 million joint project finance facility intended to be provided by Macquarie and the Northern Australia Infrastructure Facility ("NAIF"), which the existing $113.7 million Macquarie Master Lease Agreement ("MLA") facility will roll into;**
- **The $40 million convertible note investment; and**
- **Proceeds from the Placement.**

QPM Energy Limited (**ASX:QPM**) ("**QPM**" or "the **Company**") is pleased to announce that it has significantly advanced on finalising all funding required to develop the 112MW IPS.

Commenting on the Placement and Convertible Note term sheet, QPM's CEO David Wrench, said:

"We are very pleased with the strong support from existing shareholders and new investors who participated in the Placement. We have also been working hard to identify an investor who is aligned with the Company's unique portfolio of assets and growth opportunities. The Potential Note Investor we have signed the non-binding convertible note term sheet with meets this criteria and is well placed to help us accelerate the development of our business through IPS and beyond."

Placement

QPM has received firm commitments from institutional, sophisticated and professional investors to raise $30.3 million (before costs) via a two tranche share placement. Shares under the Placement will be issued at a price of $0.035 per share, which represents a discount of:

- 12.5% to the last closing share price on 28 November 2025;
- 7.9% to the 5-day VWAP; and
- 7.2% to the 15-day VWAP.

Under the Placement, Tranche 1 will result in approximately 747.34 million shares will be issued in accordance with the Company's available capacity pursuant to Listing Rule 7.1 and 7.1A. Tranche 2 will be subject to shareholder approval at an Extraordinary General Meeting ("EGM") and if approved, will result in approximately 119.25 million shares being issued. All shares issued under the Placement will rank equally with existing shares.

Non-Executive Chairman, Eddie King, also subscribed for $70,000 of shares under the Placement. The issuance of these shares will also be subject to shareholder approval at the EGM.

Bell Potter Securities Limited, Foster Stockbroking Pty Limited and Ord Minnett Limited acted as Joint Lead Managers and Joint Bookrunners to the Placement.

The funds raised under the Placement will be applied towards:

- Capital expenditure associated with the IPS including purchase of long-lead items and other pre-construction activities;
- Providing liquidity runway to finalise all funding sources for the IPS;
- IPS financing costs (including Macquarie lease facility); and
- General working capital and capital raising fees.

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Non-Binding Convertible Note Investment Term Sheet

QPM has entered into a non-binding convertible note term sheet with an Australian Investment company for a $40m convertible note investment:

- The key terms are consistent with market precedent standard transactions (per QPM legal opinion) for facilities of this nature, including coupon and conversion premium linked to the equity issuance price under the Placement;
- The investment will be subject to completion of Technical Expert Red Flag and Asset Valuation Reports, Investor Investment Committee approvals, receipt of IPS project approvals including grid connection, finalisation of project finance facilities, long form documentation and other customary conditions precedent for transactions of this nature;
- QPM has granted the Potential Note Investor an 8 week exclusivity period to finalise the transaction.

The Potential Note Investor has also subscribed for $2 million of shares in the Placement.

The Potential Note Investor has requested confidentiality and its identity will be disclosed if binding documentation is executed.

The Potential Note Investor is an ASX listed company which has investable available capital well in excess of $40 million and experience in investing in the energy industry.

As the term sheet is non-binding, QPM does not consider the identity of the Potential Note Investor to be information that a reasonable person would expect to have a material effect on the share price. There is no certainty that a binding agreement will be finalised and executed or that the proposed investment transaction will proceed.

QPM also confirms that this announcement contains all material information relevant to assessing the impact of the Non-Binding Convertible Note Investment Term Sheet on the price or value of QPM's securities and is not misleading by omission.

IPS Project Funding Update

QPM now has a clear pathway to complete the financing of the IPS development. Indicative Sources and Uses of funds are outlined below:

IPS Development Funding Sources and Uses	Indicative Amount (A$ million)
Sources	
QPM investment to date	18
Project Finance facility	180
Convertible Note	40
Placement	30
Total	**268**
Uses	
GE Vernova Turbine deposit	10

IPS Development Funding Sources and Uses	Indicative Amount (A$ million)
IPS project feasibility and development costs to date	8
Balance of capital for IPS	198
Contingency and escalation	10
Financing costs, fees, interest during construction and working capital	42
Total	**268**

QPM is targeting a Project Finance of $180 million through Macquarie Bank Ltd and NAIF.

The $113.7 million Macquarie MLA (see ASX announcement 10 October 2025), has been structured to roll into the Project Finance facility with the balance of funding to be provided by NAIF.

QPM is progressing through the NAIF due diligence period as planned and all material Independent Technical Expert reports have been completed. QPM is targeting contractual close by the end of the March 2026 quarter.

In parallel, QPM will work towards finalising transaction documentation relating to the Potential Note Investor convertible note facility.

If entered into, the two key conditions precedent that are to be satisfied for drawdown of the Project Finance and convertible note facilities are:

- Relevant development approvals for construction of the IPS; and
- A Connection and Access Agreement with Powerlink Queensland covering the IPS grid connection at the Moranbah Substation.

QPM is making strong progress on both milestones and is confident of finalising them in the March 2026 quarter.

As previously disclosed, the Macquarie MLA had a 2% establishment fee which was payable in cash or non-cash consideration. QPM and Macquarie have agreed to pay a portion of this establishment fee by way of issue of options. Under its existing Listing Rule 7.1 capacity, QPM will issue Macquarie 25 million options with the following terms:

Option Terms	
Exercise price	$0.06
Term (options can be exercised anytime during the Term)	24 months

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Indicative Placement Timetable

Indicative Timetable	Date (AEST)
Tranche 1 Placement	
Announcement of completion of Placement	Wedneday, 3 Dec 2025
Settlement of New Shares under the Placement	Tuesday, 9 Dec 2025
Allotment, quotation and trading of New Shares under the Placement	Wednesday, 10 Dec 2025
Tranche 2 Placement	
Lodge Notice of Meeting and Proxy for EGM	Monday, 15 Dec 2025
Completion of dispatch of notice to shareholders	Wednesday, 17 Dec 2025
EGM meeting	Around mid Jan 2026
Settlement / Allotment of New Shares under the Placement	2-3 business days after EGM

**The above timetable is indicative only and remains subject to change at QPM's discretion. The commencement of trading and quotation of New Shares is subject to confirmation from the ASX. The Company reserves the right to amend this timetable at any time without notice, subject to the Corporations Act 2001 (Cth), Listing Rules and other applicable laws. Accordingly, Eligible Shareholders are encouraged to submit their Application Forms as early as possible.*

This announcement has been authorised for release by the Board.

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