



CARBON REVOLUTION LIMITED
(ASX: CBR)

ASX & MEDIA RELEASE

30 April 2021

NOTIFICATION TO INELIGIBLE RETAIL SHAREHOLDERS

Enclosed is a letter to be despatched today to shareholders who are ineligible to participate in the underwritten 1 for 4.38 accelerated non-renounceable entitlement offer announced on Friday, 23 April 2021.

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

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**Carbon Revolution Limited**

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Automotive
IATF 16949



Quality
ISO 9001



Environment
ISO 14001



30 April 2021

Dear Shareholder

ACCELERATED PRO-RATA NON-RENOUNCEABLE ENTITLEMENT OFFER – NOTIFICATION TO INELIGIBLE RETAIL SHAREHOLDERS

On Friday, 23 April 2021, Carbon Revolution Limited (**Carbon Revolution**) announced that it was conducting a fully underwritten institutional placement (**Placement**) to raise \$41.6 million and a fully underwritten accelerated non-renounceable entitlement offer (**Entitlement Offer**) of new fully paid ordinary shares in Carbon Revolution Limited (**New Shares**) on a 1 for 4.38 basis, at an offer price of \$1.60 per New Security (**Offer Price**) to raise approximately \$53.4 million. The Entitlement Offer together with the Placement are referred to in this letter as the **Offer**.

Proceeds of the Offer will be used to fund construction of Phase 1 of Carbon Revolution's first Mega-line and associated costs, as well as the other purposes disclosed in Carbon Revolution's announcements released to the ASX on Friday, 23 April 2021. The Offer is jointly managed by E&P Corporate Advisory Pty Limited, Bell Potter Securities Limited and UBS AG, Australia Branch (**UBS**) (together, the **Joint Lead Managers**). UBS is acting as sole underwriter of the Offer.

The Entitlement Offer comprises an underwritten institutional component (**Institutional Entitlement Offer**) and an underwritten retail component (**Retail Entitlement Offer**). The Institutional Entitlement Offer and Placement has already closed and the results were announced to ASX on Monday, 26 April 2021.

This letter is to inform you about the Retail Entitlement Offer and to explain why you will not be able to subscribe for New Shares under the Retail Entitlement Offer. This letter is not an offer to issue New Shares to you, nor an invitation to you to apply for New Shares. **You are not required to do anything in response to this letter.**

Details of the Entitlement Offer

The Entitlement Offer is being made by Carbon Revolution in accordance with section 708AA of the Corporations Act 2001 (Cth) (the **Corporations Act**) as modified by ASIC Corporations (Non-Traditional Rights Issues) Instrument 2016/84 and ASIC Corporations (Disregarding Technical Relief) Instrument 2016/73, meaning that no prospectus or other disclosure document under the Corporations Act needs to be prepared.

An offer booklet in relation to the Retail Entitlement Offer will be lodged with the ASX and dispatched to Eligible Retail Shareholders today (Friday, 30 April 2021) (**Retail Offer Booklet**).

The Retail Entitlement Offer is being made to Eligible Retail Shareholders on the basis of 1 New Share for 4.38 existing Carbon Revolution ordinary shares held at 7.00pm (Melbourne time) on Tuesday, 27 April 2021 (**Record Date**).

Eligibility Criteria

Shareholders who are eligible to participate in the Retail Entitlement Offer (**Eligible Retail Shareholders**) are those persons who:

- (a) are registered as a holder of fully paid ordinary shares in Carbon Revolution as at 7.00pm (Melbourne time) on the Record Date;
- (b) have an address on the Carbon Revolution register in Australia or New Zealand;
- (c) are not in the United States and are not a person (including a nominee or custodian) acting for the account or benefit of a person in the United States;
- (d) were not invited to participate in the Institutional Entitlement Offer (other than as a nominee or custodian, in each case in respect of other underlying holders) and were not otherwise treated as an ineligible institutional shareholder under the Institutional Entitlement Offer); and
- (e) are eligible under all applicable securities laws to receive an offer under the Retail Entitlement Offer.

Carbon Revolution has determined, pursuant to section 9A(3) of the Corporations Act and ASX Listing Rule 7.7.1(a), and having regard to a range of factors, that it would be unreasonable on this occasion to make offers to shareholders under the Retail Entitlement Offer in all countries outside Australia or New Zealand. This is due to the legal and regulatory requirements in countries other than Australia or New Zealand and the potential costs to Carbon Revolution of complying with these requirements, compared with the relatively small number of shareholders in those countries, the relatively small number of existing Carbon Revolution ordinary shares they hold and the relatively low value of New Shares for which those shareholders would otherwise be entitled to subscribe.

The Joint Lead Managers and each of their affiliates and related bodies corporate and each of their respective directors, officers, partners, employees, advisers and agents disclaim any liability in respect of any determination as to eligibility, to the maximum extent permitted by law.

Unfortunately, according to our records, you do not satisfy the eligibility criteria for an Eligible Retail Shareholder as stated above. Accordingly, in compliance with ASX Listing Rule 7.7.1(b) and section 9A(3) of the Corporations Act, Carbon Revolution wishes to advise you that it will not be extending the Retail Entitlement Offer to you and you will not be able to subscribe for New Shares under the Retail Entitlement Offer. You will not be sent the documents relating to the Retail Entitlement Offer or be able to subscribe for New Shares under the Retail Entitlement Offer.

As the Retail Entitlement Offer is non-renounceable, entitlements in respect of any New Shares that would have been offered to you if you were an Eligible Retail Shareholder will lapse and you will not receive any payment or value for those entitlements. Entitlements are not tradeable on ASX or otherwise transferrable. If you have any questions in relation to any of the above matters, please contact the Carbon Revolution Offer Information Line on 1300 553 490 (within Australia) or +61 1300 553 490 (outside Australia) from 8.30am to 5.30pm (Melbourne time), Monday to Friday. For other questions, you should consult your broker, solicitor, accountant, financial adviser or other professional adviser.

On behalf of Carbon Revolution, we regret that you are not eligible to participate in the Entitlement Offer and thank you for your continued support.

Yours sincerely,

Mr David Nock
General Counsel and Company Secretary
Carbon Revolution Limited

IMPORTANT INFORMATION

This letter is issued by Carbon Revolution. This letter is not a prospectus or offering document under Australian law or under any other law. It is for information purposes only and does not constitute an offer, invitation, solicitation, advice or recommendation to subscribe for, retain or purchase any entitlements or securities in Carbon Revolution in any jurisdiction. This letter does not constitute financial product advice and does not and will not form any part of any contract for the acquisition of entitlements or Carbon Revolution ordinary shares. Nothing contained in this document constitutes investment, legal, tax or other advice. The information in this letter is general information only, and does not take into account your individual objectives, taxation position, financial situation or needs. If you are unsure of your position, please contact your accountant, tax advisor, stockbroker or other professional advisor.

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