



ASX Announcement | 26 March 2025 NH3 Clean Energy (ASX: NH3)

Strategic Capital Raise

NH3 Clean Energy Limited (ACN 099 098 192) (ASX: NH3) (the **Company** or **NH3**) is delighted to announce that it has successfully completed a capital raise of A\$600,000 (A\$564,000 net of fees) via a combined equity and convertible note transaction.

HIGHLIGHTS

- Capital raise with new and existing professional and sophisticated investors.
- The capital raising is in the form of:
 - a A\$300,000 equity placement at A\$0.02 per share (the **Placement**); and
 - a A\$300,000 convertible note referenced to future share prices.
- The Placement is subscribed for by two investors, with one investor also subscribing for the convertible note.
- The issue price of A\$0.02 per share under the Placement represents a discount of 8% to the 30-day VWAP.
- Funds will be applied to initiating approvals work and strengthen the Company's cash position as it seeks to finalise commercial contracts around CO₂ sequestration off-take contracts.
- Funds will be received on 26 March 2025.
- New shares will rank equally with NH3's existing shares on issue, with trading in the new shares to commence on 28 March 2025.

EXECUTIVE SUMMARY

This small capital raise follows the Company's strategy of minimising dilution while providing sufficient funds to achieve the next development and revaluation milestone.

As previously stated, this is a busy quarter with engagement with off-takers, strategic and industry players and project finance groups. Management has been delighted with feedback which underlines its view that the WAH₂ project is Australia's pre-eminent clean ammonia fuel project. Upon completion of agreements with off-take and strategic partners the project will undertake the full FEED analysis culminating in the Final Investment Decision (the FID) expected in Q2 2026.

The conversion mechanism in the convertible notes allows the Company to achieve a higher effective issue price from any higher valuations after re-rating as announcements are made, whilst also guaranteeing a minimum conversion price of \$0.02.





The new shares and convertible notes will be issued from NH3's existing ASX Listing Rule 7.1 capacity.

Chairman Charles Whitfield commented:

*"We welcome an important new investor to the register and their capital injection indicates a strong belief in the project and the compelling valuation of the Company given the advanced stage of the project and the progress being made month by month."*¹

Convertible Notes Key Terms

Key terms of the convertible notes are set out in the Annexure.

The notes have a maturity date of 20 December 2025 and are convertible into NH3 shares at a 20% discount to the 30-day VWAP at the time of conversion subject to a \$0.02 floor price.

The Company may redeem all of an outstanding note by providing a notice of redemption to the noteholder at any time. A convertible note that is the subject of a notice of redemption issued by the Company may be converted by the noteholder.

This announcement has been authorised for release by the Board of Directors.

Investor & Corporate Enquiries

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About NH3 Clean Energy Limited

NH3 Clean Energy Limited (ASX: NH3) is an Australian company focused Future Energy project development and Future Energy materials exploration and project development.

The Company is developing a business to deliver decarbonised hydrogen (low-emissions ammonia) into export and domestic markets at scale, via its WAH₂ Project. The Company plans to use renewable energy to the greatest extent practicable.

The Company 100% owns the McIntosh Nickel-Copper-PGE project and the Halls Creek Gold and Base Metals project in Western Australia. The Company has two joint ventures on its Graphite properties. To learn more, please visit www.nh3ce.com or www.nh3cleanenergy.com

¹ NH3 does not consider that the investors' identity is information that a reasonable person could expect to have a material effect on the price or value of NH3's securities. This announcement contains all material information relevant to assessing the impact of the raising on the price or value of NH3's securities and is not misleading by omission.





KEY TERMS OF THE CONVERTIBLE NOTES

Investor:	A professional and sophisticated investor
Issue Amount:	A\$300,000 (A\$282,000 net of agency fees).
Issue Price:	Face value of \$100,000 per Convertible Note.
Interest Rate:	12% per annum.
Maturity Date:	The Convertible Notes must be converted or redeemed on or before 20 December 2025 (unless the Convertible Notes have been converted or redeemed earlier).
Use of funds:	Funds raised are to be used by the Company predominantly for: (i) assisting in initiating approvals work; (ii) assisting in finalising commercial contracts around CO2 sequestration off-take contracts; and (iii) corporate costs.
Placement capacity:	Existing ASX Listing Rule 7.1 capacity.
Conversion Price:	The Convertible Notes are convertible into fully paid ordinary shares at a conversion price equal to the greater of: (i) a twenty percent (20%) discount to the thirty (30) day volume weighted average price (VWAP) immediately preceding the date that the Company provides the Investor with a Notice of Redemption; and (ii) the Floor Price, being \$0.02 per Share.





Conversion Terms:	(i) Each Convertible Note may be redeemed or converted, subject to the below: a) <i>At the Company's election:</i> Convertible Notes may be redeemed at any time before the Maturity Date by the Company providing a notice of redemption (Notice of Redemption) to the Investor. The Investor may elect to convert at that time (per paragraph (b) below) otherwise the relevant Convertible Notes will be redeemed; or b) <i>At the Investor's election:</i> if the Investor receives a Notice of Redemption with respect to a Convertible Note, that Convertible Note may be converted into fully paid ordinary shares at the Conversion Price by the Investor providing a written conversion notice (Notice of Conversion) to the Company. (ii) The conversion rights at the Investor's election are as follows: a) forty percent (40%) of the Face Value will be convertible at the Floor Price; and b) the balance (plus any accrued interest) at the Conversion Price.
Anti-dilution:	Any conversion rights will be subject to proportional adjustment in the event of a share split, consolidation or similar event prior to a conversion or redemption taking place.
Quotation, transfer and variation:	The Convertible Notes will not be quoted on ASX and are only transferable in certain circumstances where approved by the Company. The Convertible Notes cannot be varied or amended without written agreement of the Investor and the Company.

