



ASX Announcement | 21 December 2022

\$2.5 MILLION CONVERTIBLE NOTE FACILITY

M8 Sustainable Limited (**ASX: M8S**) (**M8S** or the **Company**) is pleased to announce that it has signed an agreement with the Company's largest shareholder, M8 Holding Limited (**M8H**) (formerly SBANG Sustainable Energies Limited), for a loan facility of up to \$2.5 million by way of the issue of Convertible Notes.

The funds raised by the \$2.5million facility will be utilised towards providing working capital for the Company.

Key terms of the Convertible Note loan facility are as follows:

- facility amount: up to \$2.5million
- drawdown: 1 convertible note in the Company with a face value of \$1.00 will be issued for every \$1.00 drawn down under the facility
- interest rate: 4.5% per annum (capitalised) on the outstanding amount of the facility
- conversion price: subject to the satisfaction of conditions precedent, the convertible notes will convert into fully paid ordinary shares in M8S at an issue price of 0.5 cent each at the election of M8H
- conditions precedent: conversion of the convertible notes is conditional upon the satisfaction of conditions precedent including FIRB approval and any required shareholder approval for the issue of shares in M8S
- term: unless converted into shares or repaid earlier, any moneys drawn down under the facility must be repaid by the Company 12 months after first drawdown
- early redemption: the Company can repay moneys drawn down under the facility earlier than the end of the term with the consent of M8H. Further, if shareholder approval for the issue of shares in M8S upon the conversion of the convertible notes is not obtained when sought, M8H may require the Company to repay all sums outstanding under the loan facility within 30 days of notice from M8H.

This announcement is authorised for market release by the Board of Directors.

ENDS-

For further information please contact:

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ABOUT M8 SUSTAINABLE

M8 Sustainable is a key player in the fast-growing WA waste management sector, with a strategic focus on the downstream sectors of processing and disposal.

M8 operates a metropolitan construction and demolition waste processing facility in Maddington – while its key growth asset is a major new bioreactor waste management facility at Gingin in Perth’s north, currently under construction.

The Company’s integrated business model generates revenue from waste processing and the recovery and sale of waste-derived products, while a considerable opportunity exists for the Gingin facility to host a waste-to-energy bioreactor facility.