

ASX ANNOUNCEMENT

17 September 2019



Companies Announcement Office
ASX Limited
Level 6, 20 Bridge Street
Sydney NSW 2000

CFOAM LIMITED – ALLOTMENT OF PLACEMENT

Further to the ASX release of 11 September 2019, the Board of CFOAM Limited (ASX: CFO) is pleased to announce that it has completed the initial allotment of 10,839,429 shares at an issue price of 10.5 cents per share, together with 2,709,857 options exercisable at 15 cents each and expiring on or before 15th August 2022, being issued on a 1 for 4 basis, to raise A\$1,138,140 (Placement). Existing CFO shares on issue, prior to the Placement, stand at 117,388,961 shares.

In addition, the Company has converted 350,000 performance rights into ordinary shares as the vesting conditions have been met.

With respect to the Placement, 1,448,312 shares and 2,709,857 options have been issued under Listing Rule 7.1, and 9,391,117 shares issued under Listing Rule 7.1A.

The Company will make a further issue under Listing Rule 7.1 when the final funds are cleared and allotment occurs. The related party allotments being Gary Steinepreis, Todd Hoare and, former director, Toby Chandler are subject to shareholder approval and documentation is being prepared for a meeting expected to be in October 2019.

The funds will be utilised for:

- continued planning, scoping and development work required to commit to the Company's next-stage major platform expansion plan
- Engagement with other potential strategic partners and investors, including US Governmental bodies and major US enterprises
- To assist in the further build-out of the sales and business development platforms
- Support for the production platform operating activities and maintenance
- Payment of creditors and normal working capital requirements

ASX Listing Rule 3.10.5A and Listing Rule 7.1A

The following information is provided in accordance with ASX Listing Rule 3.10.5A and Listing Rule 7.1A.

1. The dilutive effect of the issue of equity securities made under ASX Listing Rule 7.1A pursuant to the Placement on existing shareholders is as follows:

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	Number of securities issued	Percentage of pre-Placement issued share capital	Percentage of post-Placement issued share capital (including performance rights)
Ordinary shares issued under Listing			
Rule 7.1A	9,391,117	8%	7.3%
Ordinary shares issued under Listing Rule 7.1A and Listing Rule 7.1	10,839,429	9.2%	8.4%

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2. The Company considered the Placement to be the most expedient and efficient method for raising the funds required for the objectives stated above.
3. There was no underwriter to the Placement.
4. The Company has agreed to pay holders of a financial services license a fee of 6% of funds raised with the Placement. There are no other fees or costs incurred in connection with the Placement.

For further details, please contact:

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About CFOAM Limited

CFOAM® products are an inorganic carbon material that is manufactured from coal, pitch or lignin feedstock. CFOAM® products manufactured in this process have a rigid foam structure, similar in appearance to pumice stone, but with entirely different properties. CFOAM® products are currently used across a wide variety of markets including composite tooling for the aerospace sector, energy absorbing applications and defence applications. Additional markets such as the automotive applications for energy absorption and fire resistance are also expected become significant to the Company over time.

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CFOAM® products were developed to meet the growing demand for ultra-high-end performance engineering materials in the, industrial, aerospace, military and commercial product markets.

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