

February 20th 2023



Restricted Share Purchase Plan Offer

Strategic Elements Ltd (**ASX: SOR**) (**Company**) is pleased to announce a Share Purchase Plan (**SPP**). Capital raised will primarily be used to apply for competitive grant projects for Energy Ink™, a revolutionary new power source that generates electrical energy from moisture in the air.

The SPP offer (**Offer**) is optional to shareholders on the register as of 5.00 pm (AWST) on 17 February 2023 to raise up to **\$1,000,000** at **10.5 cents** per share. Applications will be accepted on a **first-received basis**. Oversubscriptions will be accepted at the Directors' discretion and subject to all legal and regulatory requirements. All Directors and management will participate in the Offer.

Use of Funds

Funds raised under the Offer will primarily be used to apply for competitive Federal Government and other grants for Energy Ink™, developed by 100% owned Australian Advanced Materials Pty Ltd (**AAM**).

Under these types of grant programs, agreements are formed between the funding body, a scientific organisation such as a university and a Company, which contributes a portion of the overall budget. The Company places high value on winning competitive Federal grants that provide cash funding and access to otherwise unobtainable researcher expertise and multimillion-dollar equipment. Third-party technical due diligence by leading scientific peers is an underappreciated benefit.

AAM currently has an Energy Ink™ grant with the University of New South Wales under consideration from the Federal Government. The total budget for the project is **\$2,789,275** and if successful, requires a cash contribution of **\$800,000 from AAM**. Under this project, Professor Chu, the original inventor of the technology, will be able to be engaged in a **full-time** capacity for four years. Energy Ink™ IP will be retained **100%** by AAM. Successful applicants are expected to be notified in April 2023.

Energy Ink™ is still in development, and the fundamental upper limit of aspects such as maximum power output, duration and energy density remains unknown. Significantly, the team are consistently identifying multiple avenues that increase performance. It is accepted that the imperative for more innovative, renewable energy creation and power sources will continue to grow. Printed, environmentally friendly graphene-oxide-based cells that generate energy from airborne water molecules could potentially directly power a device, complement a battery by extending device life or providing energy for battery storage.

Funds raised under the Offer may also be used in part for AAM's existing, **active development program** for improvements in power management for use in wearable devices and R&D pathways for **larger-scale** Energy Ink™ systems.

Issue Price

The issue price is **10.5 cents** per share (**New Share**) and represents a 19.2% discount to the last closing price on which the Company's shares were traded on 17 February 2023 and a 19.2% discount to the volume weighted average market price for the Company's shares calculated over the last 5 days on which sales in the Company's shares were recorded before the day the offer was announced.

Payment

Under the SPP, eligible shareholders can subscribe for **up to** \$30,000 worth of New Shares at 10.5 cents each without brokerage or other costs. There is **no need to fill out and post the application form**. Please use the payment **reference details printed on the application form** in the **documents emailed or mailed to you when making payment by BPAY or EFT**.

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Other

The Company reserves the right to place any shares not subscribed for pursuant to the Offer, or any extensions to this Offer, at a price no less than the price of New Shares offered under the SPP, to the extent any such placement can be made having regard to the ASX Listing Rules and the Corporations Act.

If fully subscribed, the SPP will result in the issue of 9,523,809 New Shares issued pursuant to Listing Rule 7.2, Exception 5 and will not be counted towards the Company's Listing Rule 7.1 and 7.1A placement capacity.

SPP Key Dates

Date	Details
17 February 2023	Record Date 5.00pm (AWST) The date of which the Company determines eligible shareholders.
20 February 2023	Announcement Date and lodgement of Appendix 3B
21 February 2023	Dispatch of SPP Booklet
21 February 2023	Opening Date The date on which the Offer opens.
14 March 2023	Closing Date The date on which the Offer closes. Applications and payments must be received by 5.00pm (AWST).
15 March 2023	Issue Date and Dispatch Date and lodgement of Appendix 2A The date New Shares are issued
16 March 2023	Commencement of Trading Date The date on which New Shares are expected to commence trading on the ASX.

The above dates are indicative only and may change at the discretion of the Directors (subject to the requirements of the Listing Rules and all other applicable law).

Documentation

Documentation in relation to the SPP will be distributed to shareholders on **21 February 2023**.

Further information on the SPP please contact the Company's Share Registry, Automic, from 9:00 am to 5:00pm (AWST) Monday to Friday on 1300 288 664 (callers within Australia) or +61 2 9698 5414 (callers outside Australia).

This announcement was authorised for release by the Company's Board of Directors.

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