

EUROBATTERY MINERALS DECIDES ON A DIRECTED ISSUE OF CONVERTIBLES OF SEK 4.0 MILLION

Stockholm, 27 November 2024 – The Board of Directors of Eurobattery Minerals AB (Nordic Growth Market: BAT and Börse Stuttgart: EBM; in short: “Eurobattery Minerals” or the “Company”) has today, with support from the authorisation from the Extraordinary General Meeting on 16 October 2024, decided to carry out a directed issue to Fenja Capital II A/S (the “Convertible issue”) of convertible notes with a total nominal amount of SEK 4.0 million (the “Convertible notes”), in accordance with the intention communicated through a press release on 16 September 2024. The consideration for the Convertible issue will be paid by offsetting Fenja Capital II A/S’s claim under the Company’s previous convertible of series 2024/2025.

Terms for the Convertible issue

Since 1 February 2024, the Company has an outstanding convertible debenture with a nominal value of SEK 5.0 million to Fenja Capital II A/S, which entitles the holder to conversion of up to 10,416,666 new shares in the Company at a conversion price of SEK 0.48 per share. In connection with the rights issue, which was announced by the Company on 16 September 2024, the Company has undertaken to repay the whole outstanding convertible loan, of which part is to be paid in cash and the remaining amount is offset against Convertible notes in the Convertible issue. The terms of the Convertible issue, including the conversion price, have been established through negotiations at arm’s length with Fenja Capital II A/S and are deemed by the Board of Directors to be at market. The main conditions for the Convertible issue are stated below:

- 4,000,000 Convertible notes with a total nominal value of SEK 4.0 million, which carry the right to convert to 33,333,333 new shares until 20 June 2026 at a conversion price of SEK 0.12 per share.
- Minimum conversion amount of SEK 1.0 million per occasion.
- To the extent that conversion has not occurred, the loan must be repaid in full on 20 June 2026 at the latest.
- The Convertible notes carry an annual interest of twelve (12) per cent plus STIBOR 3M, but not less than fifteen (15) per cent, to be paid on a quarterly basis and on the final due date.
- Upon full conversion of the Convertible notes, the share capital will increase by approximately SEK 45,609.877190 through the issuance of 33,333,333 new shares, implying a maximum dilution of approximately 8.4 per cent for existing shareholders.

- The total subscription price for the Convertible notes amounts to 95 per cent of the total nominal amount. Payment shall be made by offsetting Fenja Capital II A/S's claim under the outstanding convertible.
- In the event that the Company carries out a directed issue of shares, the holder of the convertible loan has the right, during a period of 10 days, to convert the entire loan amount at a conversion price corresponding to the issue price in the directed issue.

Fenja Capital II A/S has subscribed for and been allotted all Convertible notes in the Convertible issue.

The reason for the deviation from the shareholders' pre-emptive right is an agreement with Fenja Capital II A/S regarding a liquidity-efficient repayment of the outstanding debt as a result of the previous convertible debenture. The Board of Directors has considered the possibility of financing the repayment of the outstanding debt by carrying out a larger rights issue of shares than the rights issue, or through a rights issue of convertible notes, but has made the assessment that such a rights issue would probably not be fully subscribed. Obtaining underwriting for such a rights issue would be costly for the Company. The Board of Directors' overall assessment is thus that the Convertible issue constitutes the most efficient financing of the repayment of the outstanding debt to Fenja Capital II A/S and is beneficial for the Company and its shareholders.

The subscription price for the Convertible notes has been determined through negotiations with Fenja Capital II A/S at arm's length, in consultation with advisors and through analysis of several market factors and is deemed by the Board of Directors – in light of the agreement – to be at market.

For more information, please contact:

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About Eurobattery Minerals

Eurobattery Minerals AB is a Swedish mining company listed on Swedish Nordic Growth Market ([BAT](#)) and German Börse Stuttgart ([EBM](#)). With the vision to make Europe self-sufficient in responsibly mined battery minerals, the company's focus is to realize numerous nickel-cobalt-copper projects in Europe to supply critical raw materials and, as such, power a cleaner world.

Please visit www.eurobatteryminerals.com for more information. Feel free to follow us on [LinkedIn](#) as well.



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Attachments

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