18 August 2026

Issue of $700,000 Convertible Notes

WasteCo Group Limited ("WasteCo") advises that several third-party wholesale investors have agreed to subscribe for $700,000 in unsecured Convertible Notes in WasteCo ("new Notes").

The new Notes mature on 14 August 2027 ("Maturity Date").

The holder has the flexibility to redeem the new Notes for cash, or to convert them to WasteCo shares at an effective conversion price of $0.05833 each ("Conversion Price") by notice in writing to WasteCo prior to the Maturity Date.

The annual interest rate is 8%, payable quarterly.

In the event of a material capital raising occurring after the issue of the new Notes, and prior to the Maturity Date, the new Notes mandatorily convert in new ordinary fully paid shares at the Conversion Price. WasteCo signalled its intention to raise further equity capital in the next three months in its announcement of 5 August 2026, so anticipates the new Notes will mandatorily convert then.

One of the third-party investors in the new Notes currently holds $2 million of existing convertible notes issued in October 2025 ("existing Notes"), which have a maturity date of 15 October 2027 and carry an annual interest rate of 10% (as also described in WasteCo's announcement on 24 September 2025). WasteCo has agreed to vary the conversion price for these existing Notes from $0.02 to $0.007 per share, and to extend the maturity date for these existing Notes to 14 August 2028.

The funds raised from the issue of the new Notes will be used by the WasteCo group for its general corporate purposes.

Summary of all key terms of classes of convertible notes on issue

Following the new Note issue, WasteCo therefore has the following convertible notes on issue:

- $15 million principal amount of secured convertible notes, carrying a 6% annual interest rate. These notes are convertible at the option of the holder into equity at $0.02 per share at any time during a 5 year term ending 19 December 2029. Shareholders approved the issue of these notes to Empire Waste Technology Limited at a special meeting of shareholders held on 13 December 2024.
- $700,000 principal amount of unsecured convertible notes, carrying an 8% annual interest rate, and convertible at the option of the holder by 14 August 2027, or mandatorily earlier, as described above.
- $2 million principal amount of unsecured convertible notes, carrying a 10% annual interest rate, and convertible at the option of the holder by 14 August 2028.

Under the terms of all classes of convertible notes, if, prior to conversion, WasteCo's quoted ordinary shares are consolidated, subdivided, or similarly reconstructed, the number of shares to be issued will be adjusted in the manner necessary to reflect the consolidation, subdivision or reconstruction, so as to preserve the existing rights and entitlements of the holder relative to the rights and entitlements of holders of quoted ordinary shares or notes immediately prior to the consolidation, subdivision or reconstruction.

Under the terms of issue of the secured convertible notes issued to Empire Waste Technology Limited ("Empire") in December 2024, WasteCo agreed to use its best endeavours to offer Empire the right to participate in future capital raisings to the extent that, immediately following the capital raising, Empire could maintain the same percentage interest in WasteCo it would hold on conversion of its Notes (had it converted the notes immediately prior to that capital raise), subject to compliance with all applicable laws (such as the takeovers code and the NZX Listing Rules).

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