

1 May 2025

PLACEMENT AND RIGHTS OFFER TO RAISE UP TO \$3.6 MILLION

- > Placement completed to new strategic, sophisticated investors.
- > Placement of shares at \$0.022 (2.2 cents) a discount of 12.0% to the closing price as at 24th April 2025 and a discount of 28.1% to the 30-day VWAP, raising approximately \$680,000 before costs. The Placement also includes 1 attaching option for every 2 shares subscribed.
- > HITIQ also proposes to undertake a Non-Renounceable Rights Issue Offer on the same terms as the Placement to eligible shareholders to raise up to \$2.92 million before costs.
- > Rights Issue Offer partially underwritten to \$1.2 million.
- > In addition to subscribing for entitlements, a further \$67k of sub-underwriting by the Board.
- > Funds from Placement and Rights Issue Offer to be deployed to complement the consumer market pivot.

HITIQ Limited (ASX: HIQ) (HITIQ or the **Company**) is pleased to announce that it is conducting a capital raising of up to approximately \$3.6 million (before costs) through a placement to sophisticated professional investors and a non-renounceable rights issue to eligible shareholders.

Placement

The Company has completed a placement to sophisticated and professional Investors of \$680,000 (before costs) through the issue of 30,909,091 ordinary shares (**Placement Shares**) at an issue price of \$0.022 per Placement Share (**Placement**).

This represents a discount of 12.0% to the closing price at 24th April 2025 and a discount of 28.1% to the 30-day VWAP.



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HITIQ's Non-Executive Chairman, Earl Eddings said, "We are delighted to be welcoming several new sophisticated investors to our register. To complete the Placement in such a challenging capital market is a testament to the attractive long-term opportunity HITIQ represents and positions the Company to fully fund its pivot to the growing consumer market."

The terms of the Placement include one attaching new option (exercisable at \$0.022 and expiring on 30 December 2028) for every two shares issued under the Placement (**Placement Options**).

The issue of the Placement Shares and Placement Options will be completed under the Company's ASX Listing rule 7.1 capacity and are expected to be issued on or before 8 May 2025.

GBA Capital Pty Ltd and SP Corporate Advisory Pty Ltd acted as Joint Lead Managers (**JLMs**) for the Placement.

Rights Issue

In conjunction with the Placement, the Company intends to undertake a non-renounceable rights issue on the same terms as the Placement – being one (1) new share for every 3 shares held by eligible shareholders in Australia, New Zealand, Germany, Hong Kong and Singapore at an offer price of \$0.022 (2.2 cents) per new share plus 1 option for every 2 new shares issued under the rights issue offer (**New Options**), to raise up to approximately \$2.92 million (before costs) by the issue of up to 132,823,847 new ordinary shares (**Rights Issue Offer**).

Shareholders who subscribe for their full entitlement under the Rights Issue Offer will also be able to subscribe for additional shares at the same price (**Top Up Offer**) and will also be issued 1 new option for every 2 additional shares issued to them under the Top-Up Offer.

Similar to the Placement Options, the New Options will have an exercise price of \$0.022 (2.2 cents) and will expire on 30 December 2028. It is anticipated application will be made to the ASX for listing of the Placement Options and New Options at the conclusion of the Rights Issue Offer.

The Rights Issue is partially underwritten to \$1,202,860.20 by GBA Capital Pty Ltd. All Directors intend to participate in the Rights Issue and the majority are also participating as sub-underwriters to a total of approximately \$67,000. The Underwriter will receive a fee of 6.0% of the underwritten amount and Underwriter Options representing 30% of the shares issued on the amount underwritten (being, the underwritten amount taken up by the Underwriter less any director participation as sub-underwriters). Directors participating as sub-underwriters will not receive any underwriting fees or options. The termination events include, but are not limited to, indices fall (being, the S&P ASX 200 Index is 15% or more below its respective level as at the close of business on two (2) consecutive business days prior to the date of this underwriting agreement); share price fall (being, the VWAP of the Company's shares as traded on ASX over any three (3) consecutive trading day period after the lodgement of the Prospectus is equal to or less than \$0.016). The termination events are otherwise considered standard for such an agreement, and will be detailed in the Prospectus.

The JLMs will also act as Lead Manager of any shortfall available at the conclusion of the Rights Issue.



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The Rights Issue Offer will open on Friday, 23 May 2025 and close at 5pm (AEST), Friday, 6 June 2025. Issues under this Rights Issue Offer will be made pursuant to a prospectus to be issued in accordance with Section 713 of the Corporations Act and therefore the Rights Issue Offer will not affect the Company's current Listing Rule 7.1 capacity.

No shareholder approval is required for the Rights Issue Offer. The new shares will be fully paid ordinary shares, will rank equally with the Company's existing issued shares and the Company will make an application to the ASX for the official quotation of the new shares and options.

The Directors also reserve the right for up to 3 months after the close of the Rights Issue Offer to place the balance of any new shares (and accompanying options) not taken up.

The table below sets out, for illustrative purposes only, the existing Share capital structure (before the Rights Issue Offer) together with the impact of the issue of the New Shares under the Rights Issue Offer. It assumes that no options are exercised prior to the Record Date.

Shares	Number
Existing Shares as at date of the Rights Issue Offer (including the Placement Shares)	398,471,541
Maximum number of New Shares issued under the Rights Issue Offer (approximately)	132,823,847
Total issued Shares following completion of the Rights Issue Offer (assuming full subscription and no exercise of any of the options)	531,295,388

Further information pertaining to the Rights Issue Offer will be sent to eligible shareholders in a Prospectus to be lodged with the ASX on or around Wednesday, 14 May 2025 and to be dispatched to Shareholders on or around Friday, 23 May 2025.

Use of funds

An indicative use of funds raised from the Placement and the Rights Issue Offer is set out below:

Indicative expenditure	Summary Description	Up to \$	% - Use of Funds
Manufacturing capacity	Expand capacity globally for the elite and consumer markets	\$810,478	22.5%
USA expansion	Expansion of partnerships together with marketing and sales activities in North America.	\$900,531	25.0%
Product enhancement	Enhancement of product lines to generate additional recurring revenue streams.	\$540,319	15.0%
Business Development and Marketing	Invest in Business Development, marketing, CX and logistics	\$540,319	15.0%
Continued R&D	Enhancement of the data and AI capability for applications along with continued studies for CoVR	\$450,266	12.5%
General Working Capital and capital raising costs*	Day to day working capital requirements and capital raising costs for the Offer	\$360,212	10.0%
Funds		\$3,602,125	100.0%

Notes:



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- * Where less than the maximum amount is raised, the Company will apply the funds raised proportionately per the % use of funds column
- * The Company reserves the right to pay cash commission of up to 6% of the amount subscribed by eligible new investors under the Shortfall Offer introduced by holders of an AFSL (or their authorized representatives). Any such commission costs would be paid from general working capital.

Timetable

The following is an indicative timetable for the Rights Issue Offer:

ACTIVITY	DATE
Trading halt (pre-open)	Monday, 28 April 2025
Announcement of Offer and Placement Lodgement of Appendix 3Bs for New Shares and Options under Offer, Placement Options, Lead Manager Options and Underwriter Options	Thursday, 1 May 2025
Settlement of Placement Shares	9 May 2025
Issue of Placement Shares Lodgement of Appendix 2A for Placement Shares	13 May 2025
Prospectus lodged with ASIC and announced on ASX Lodgement of updated Appendix 3Bs for Options under Offer, Placement Options, Lead Manager Options and Underwriter Options	14 May 2025
"Ex" date	19 May 2025
Record date for Offer (5.00pm Melbourne time)	20 May 2025
Prospectus and Personalised Acceptance Forms despatched Announce to ASX despatch of Prospectus and Offer opening Offer opens	23 May 2025
Last day to extend Closing Date of the Offer	3 June 2025
Closing date for Offer (5.00pm Perth time)	6 June 2025
Announcement of results of the Offer and Shortfall	9 June 2025
Settlement of Offer (Offer Settlement Date) (before noon Perth time)	10 June 2025
Issue and New Shares and Options under Offer Lodgement of Appendix 2As for New Shares and Options under Offer	10 June 2025
Shareholder Meeting	Late June 2025
Issue of Placement Options, Lead Manager Options and Underwriter Options Lodgement of Appendix 2As for Placement Options, Lead Manager Options and Underwriter Options	Late June 2025

Dates / times are indicative and subject to change. All times / dates are in reference to Australian Eastern Standard Time

The release of this announcement was authorised by the Board.



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Ends -

For more information:

Shareholders: investors@hitiq.com

About HITIQ

To learn more about HITIQ's Impact IQ technology please visit hitiq.com

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About Us

At HITIQ we build world class concussion management technology that protects what matters most.

We're your one stop shop for head impact monitoring, assessment and management.

Our products and technology enable you to play with confidence.

From elite to grassroots, we're committed to providing peace of mind and encouraging even greater participation in sport.

