



ASX ANNOUNCEMENT

1 November 2022

Rights Offer to raise up to \$6.35 million

- > **HITIQ is seeking to raise up to \$6.35 million (before costs) through a renounceable rights issue offer of 8 New Shares for every 5 Shares held by eligible shareholders as at the applicable "Record Date" at an issue price of \$0.03 per New Share - together with one free attaching new Option for every New Share subscribed (Rights Issue Offer); and**
- > **All Directors, have indicated that they intend to take up some or all of their Entitlement, representing a substantial new investment in the company by directors.**

Transformative, concussion management technology company, **HITIQ Limited** (ASX: **HIQ**) (**HITIQ** or the **Company**) announces that it is undertaking a renounceable rights issue offer to raise approximately \$6.35 million from shareholders ("Rights Issue Offer") before costs.

The funds from the Rights Issue Offer will be applied to:

- > Sales & marketing of consumer facing product suite;
- > Further development of the concussion technology platform including completion of virtual reality pre-clinical activities;
- > Working capital purposes;
- > Possible IP Acquisition Opportunities; and
- > Costs of the offer.

Commenting on the Rights Issue Offer, HITIQ CEO, Mike Vegar said:

"The Board and I believe it is important to firstly offer our existing shareholders with the opportunity to participate in the capital raising, and I would like to personally thank all our existing shareholders for their ongoing support. We look forward to rewarding all our loyal shareholders with the on-going commercialisation of our brain injury management platform, with several potential inflection points that should drive a restoration in shareholder value available over the coming period."

HITIQ Limited
ACN 609 543 213
ASX: HIQ

HITIQ.COM

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Directors

Otto Buttula
Michael Vegar
Phillip Carulli
Glenn Smith
Aidan Clarke

Non-Executive Chair
Managing Director
Non-Executive Director
Non-Executive Director
Non-Executive Director

Rights Issue Offer Details

The Company is undertaking a renounceable rights issue offer to eligible shareholders to subscribe for eight (8) New Shares for every five (5) Shares held at an offer price of \$0.03 (3 cents) per share plus one (1) free attaching Option for every one (1) New Share subscribed under the Offer to raise up to \$6.35 million before costs. Eligible shareholders are shareholders with a registered address in Australia or New Zealand as at the Record Date of 10th November 2022. There is no minimum amount to be raised under the Rights Issue Offer.

Rights Issue participants will be offered attaching, unlisted Options for every one new share taken up. Options will have an exercise price of \$0.04 and expire on 9th December 2023. Further details of the Terms and Conditions of the Options are set out in Annexure A.

Eligible Shareholders may also subscribe for Additional Shares beyond their rights issue entitlement on the basis that some existing Holders will be either ineligible or may fail to fully take up their Entitlement. This ability to apply for Additional Shares is restricted only to Eligible Shareholders (other than Directors and related parties of the Company), is determined at the discretion of the Board and is referred to as a 'Top-Up Facility'.

The Rights Issue Offer will open on 14th November 2022 and close at 5pm (AEST), 2 December 2022. Issues under this Rights Issue Offer will be made under a Listing Rule 7.2 exception and therefore do not affect the Company's current Listing Rule 7.1 capacity. No shareholder approval is required for the Rights Issue Offer. Fractional entitlements will be rounded up to the nearest whole number.

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.

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 and the Placements. It assumes that no options are exercised prior to the Record Date.

Shares	Number
Existing Shares as at date of the Rights Issue Offer	132,419,018
Maximum number of New Shares issued under the Offer (approximately)	211,870,429
Total issued Shares following completion of the Offer (assuming full subscription under the Offer)	344,289,447

Further information pertaining to the Rights Issue Offer will be sent to Eligible Shareholders in a Prospectus to be lodged with the ASX on 7th November 2022 and despatched to Shareholders on or around 14th November 2022.

Directors retain the right for up to 3 months after the close of the Offer to place the balance of any New Shares not taken up by Eligible Shareholders.

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

Indicative Rights Issue Timetable¹ Event	Date
Rights Issue announcement and company resumes trading	Tuesday, 1 November 2022
“Ex” Date for the Offer	Wednesday, 9 th November 2022
Record Date	Thursday, 10 November 2022
Dispatch of Prospectus and Rights Issue Offer opens	Monday, 14 November 2022
Rights trading ends at close of trading	Friday, 25 November 2022
Closing of Rights Issue Offer	5.00pm Friday, 2 December 2022
Announcement of results of the Offer	Wednesday, 7 December 2022
Allotment and issue of New Shares under Rights Issue Offer	Friday, 9 December 2022
Expected normal trading of New Shares under Rights Issue Offer	Tuesday, 13 December 2022

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

- ENDS -

Authorised for release by the Board of Directors.

For more information, contact:

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About HITIQ

HITIQ Limited (ASX: **HIQ**) operates in the healthcare equipment sector, providing and further developing a transformative, end-to-end concussion management technology platform. This platform aims to provide a total concussion ecosystem whereby the Company's products support the identification, monitoring and management of sport related brain injury. HITIQ's product suite utilises high-end technology that will span multiple domains – from early detection and surveillance to assessment and rehabilitation technology tools.

HITIQ is targeting a growing worldwide concussion management market including elite and recreational sport, clinical practitioners, military, research, and combat sports. The Company's first commercial partner is the Australian Football League, with current strategy initiatives expanding commercially into Rugby League, Rugby Union, Ice Hockey, Lacrosse,

MMA and American Football (particularly the NCAA). The market opportunity globally represents ~500k athletes within the elite market and ~10million in the consumer market.

Annexure A

Option Terms and Conditions

Each option (**New Options**) entitles the holder (**Option Holder**) to subscribe for and be issued one fully paid ordinary share (**Share**) in **HITIQ Limited** ACN 609 543 213 (**Company**) on the following terms:

1. Subject to clause 2 below and also any restrictions imposed by the ASX Limited (**ASX**), each Option is exercisable at any time until and including their expiry date, namely 5pm (AEDT) on 9 December 2023 (**Expiry Date**). Any New Options not exercised by the Expiry Date will automatically lapse at 5pm (AEDT) on the Expiry Date.
2. The New Options may be exercised for part or all of the New Options vested at a particular time by the Option Holder giving written notice (**Notice of Exercise**) to the Company at its registered office prior to the Expiry Date together with payment in full of the exercise price of \$0.04 per Share (**Exercise Price**).
3. A Notice of Exercise with payment of the Exercise Price may be given at any time but the Company will only issue resulting Shares on exercise on the trading day following:
 - (a) 28 February 2023;
 - (b) 31 May 2023;
 - (c) 31 August 2023; and
 - (d) 30 November 2023.
4. On issue of the Shares from exercise of an Option, the Company must seek quotation on or before the date of issue, quotation of the resulting Shares under the ASX Listing Rules (**ASX Listing Rules**) and:
 - (a) allot to the Option Holder one Share in the Company for each Option exercised by the Option Holder;
 - (b) cause to be despatched to the Option Holder the relevant acknowledgement of issue, a holding statement or share certificate (as applicable) as soon as is reasonably practicable detailing the issue of the relevant Share/s; and
 - (c) issue (if applicable) a new holding statement (or option certificate) for the balance of the New Options that remain unexercised.
5. Shares allotted on the exercise of New Options will rank equally in all respects with the then existing issued ordinary fully paid shares in the capital of the Company (except in respect to any dividends which shall have been declared but not yet distributed before the actual exercise of an Option) and will be subject to the provisions of the Constitution of the Company.
6. The New Options are transferable by an Option Holder on written notice to the Company, and where the Shares are quoted, in accordance with the ASX Listing Rules.

7. If any reorganisation (including consolidation, subdivision, reduction, return or cancellation) of the issued capital of the Company occurs before the expiry of any

New Options, the number of New Options to which each Option Holder is entitled or the Exercise Price of his or her New Options or both must be reorganised in

accordance with the ASX Listing Rules applying to a reorganisation at the time of the reorganisation (which adjustment formula will apply even where the Company is not admitted to the ASX Official List).

8. An Option does not confer the right to participate in new issues of capital offered to holders of Shares (**Rights Entitlement**) during the currency of the New Options without exercising the New Options. However, the Company will use reasonable endeavours to procure that for the purpose of determining Rights Entitlements to any such issue, the Option Holder is to receive at least 2 days written notice from the Company of the pending closing or record date and sufficient time for the Option Holder to exercise the New Options prior to that closing or record date in order to qualify for the participation in the Rights Entitlement.
9. In the event of the liquidation of the Company, all unvested or unexercised New Options will lapse upon the occurrence of that liquidation.
10. The New Options do not provide any entitlement to dividends paid to ordinary shareholders.
11. The New Options do not entitle the Option Holder to vote at any meeting of shareholders
12. To the extent (if any) that any of these Option Terms and Conditions are inconsistent with or contrary to the ASX Listing Rules, the ASX Listing Rules provisions will prevail and these Option Terms And Conditions are deemed to incorporate the relevant ASX Listing Rules provisions as an amendment to these terms;