

**7 February 2018**

## **ASX ANNOUNCEMENT**

### **CONTROLLED PLACEMENT AGREEMENT**

On 6<sup>th</sup> February 2018, the Company entered into a Controlled Placement Agreement (CPA) with Acuity Capital.

The CPA provides Holista Colltech (HCT) with up to \$3 million of standby equity capital over the coming 24 month period. Importantly, HCT retains full control of all aspects the placement process:

- having sole discretion as to whether or not to utilize the CPA
- the quantum of issued shares
- the minimum issue price of shares
- the timing of each placement tranche (if any)

It should also be noted that there are no requirements on HCT to utilize the CPA. HCT may terminate the CPA at any time, without cost or penalty. Acuity Capital and the CPA do not place any restrictions at any time on HCT raising capital through other methods. HCT is also looking at other modes of capital raise as the company moves to commercialize key technologies.

If HCT does decide to utilize the CPA, HCT is able to set a floor price (at its sole discretion). The final issue price will be calculated as the greater of that floor price set by HCT and a 10% discount to a Value Weighted Average Price (VWAP) over a period of HCT choosing (again at the sole discretion of HCT).

As collateral for the CPA, Holista Colltech has agreed to issue 9.5m shares at nil consideration to Acuity Capital (Collateral Shares). Tranche one of the issue will 6.5m shares from its LR7.1 capacity and tranche two of the issue will be 3m shares subject to shareholder approval. At any time, HCT may cancel the CPA and buy back the Collateral Shares for no consideration (subject to shareholder approval).

An Appendix 3B and further details in relation to the CPA will follow shortly.

HCT believes that method of financing is ideal for its current growth trajectory and will augur well with other parallel capital raising efforts currently being discussed and initiated. This is important as HCT has completed much of the development of its technologies and now towards more aggressive commercialization.

Jay Stephenson

**JOINT COMPANY SECRETARY**