

23 October 2015

### Proposed Change in Substantial Holder

Holista CollTech Limited (**ASX: HCT**) (**Holista** or the **Company**) advises that it has received notice from the Company's Chairman and largest shareholder, Dr. Rajendran Marnickavasagar (**Dr Rajen**) in relation to a proposed sale by Dr Rajen of 58,514,245 fully paid ordinary shares in Holista (**Shares**) to Galen Bio Medical Inc. (**Purchaser**) (**Proposed Transaction**). The Purchaser is a company incorporated in the state of Delaware, USA and is a private holding company regulated by the Financial Industry Regulatory Authority of USA.

As part of the Proposed Transaction, Dr Rajen will acquire a 75% interest in the Purchaser and will also become a Director of the Purchaser. On completion of the Proposed Transaction Galen Bio Medical Inc., will be the registered holder of a 38% interest in Holista. Dr Rajen will remain as the registered holder of a 10% interest in the Company.

Completion of the Proposed Transaction is subject to the Company and the Purchaser obtaining all required regulatory and shareholder approvals. The proposed share acquisition by the Purchaser will, if approved by the Company's shareholders, result in the Purchaser and its associates (within the meaning in the Corporations Act) obtaining voting power in more than 20% of the total issued voting shares in the capital of the Company. As a result, the Company will seek approval from shareholders of the Company in accordance with item 7 of the table in Section 611 of the Corporations Act.

It is proposed Dr Rajen will remain as the CEO and Chairman of Holista. There will be no other changes to the Board of Holista. The Board considers completion of the Proposed Transaction will not have any major impact on the underlying ownership, direction or operation of the Company.

The Company Notice of Annual General Meeting includes further details of the Proposed Transaction.

Jay Stephenson

**COMPANY SECRETARY**