

## Entitlement Offer Update and Shortfall Notice

Hearts and Minds Investments Limited (ACN 628 753 220) (ASX: **HM1** or the **Company**) is pleased to confirm that the 1 for 8 renounceable entitlement offer announced on 27 November 2019 ("**Entitlement Offer**"), closed on Monday 16 December 2019.

Under the Entitlement Offer, 25,000,000 fully paid ordinary shares ("**New Shares**") were offered to Eligible Shareholders at an issue price of \$2.50. All New Shares to be issued under the Entitlement Offer will rank equally in all respects with the existing fully paid ordinary shares of the Company.

The Company advises that it received applications for 22,898,007 New Shares from Eligible Shareholders under the Entitlement Offer, raising \$57,245,017.50. This represents approximately 91.59% of all Shares offered under the Entitlement Offer.

### Summary of the Retail Entitlement Offer

	Shares	Funds
Total number of New Shares offered under the Entitlement Offer	25,000,000	\$62,500,000
Pro rata entitlement Shares applied for under the Entitlement Offer	22,898,007	\$57,245,017.50
Number of shares in Shortfall	2,101,993	\$5,254.982.50

The New Shares are scheduled for issue on Monday 23 December 2019, and are expected to commence trading on a normal settlement basis on Tuesday 24 December 2019. Holding statements for New Shares under the Entitlement Offer are expected to be despatched on Monday 23 December 2019.

Under the terms of the Entitlement Offer, the Company has the right to place any or all of the remaining Entitlements within three months after the Closing Date (i.e. by 16 March 2020) on the same terms as the Entitlement Offer. Entitlements will only be sold to investors who agree to exercise those Entitlements and pay the subscription price of \$2.50 per New Share. Eligible Shareholders for whose benefit the Entitlements have been sold will receive any premium paid over the subscription price of \$2.50 per New Share after deducting any transfer expenses.

This announcement was authorised for release by the Board of Hearts and Minds Investments Limited.

Further details of the Entitlement Offer are set out in the Information Booklet dated 5 December 2019. For further information regarding the Entitlement Offer, please call the HM1 Offer Information Line on 1300 737 760 (within Australia) or +61 2 9290 9600 (outside Australia) from 8:30am to 5:30pm (Sydney time) Monday to Friday (excluding public holidays).