

Results of Hydrix Non-Renounceable Entitlement Offer

Hydrix Limited (ASX: **HYD**) (**Hydrix** or **Company**) is pleased to announce the successful completion of its fully underwritten pro-rata non-renounceable entitlement offer announced to the market on 6 July 2020, to raise approximately \$2 million (before costs) (**Entitlement Offer**).

Under the Entitlement Offer, eligible shareholders were entitled to subscribe for 1 new fully paid ordinary share in Hydrix (**Share**) for every 3 Shares held on the record date of 7.00pm (AEST) on Thursday, 9 July 2020 (**Record Date**), at an issue price of 7.5 cents per Share. For every 3 new Shares validly subscribed for under the Entitlement Offer, eligible shareholders were also entitled to receive 1 free option to acquire a Share, exercisable at 12 cents on or before 31 July 2022 (**Entitlement Option**).

Eligible shareholders were also able to apply for any Shares offered under the Entitlement Offer which were not validly applied for by shareholders under their respective entitlements (**Shortfall Facility**).

Results of Entitlement Offer

The Entitlement Offer, which closed at 5.00pm (AEST) on Thursday 23 July 2020, was oversubscribed with a total of 28 million Shares (to the value of \$2.1 million) applied for under the Entitlement and Shortfall Facility components of the offer. The final application numbers were as follows:

	No. of Shares	Subscription funds
Applications under Entitlement component of Entitlement Offer	9,607,412	\$720,556
Applications under Shortfall Facility component of Entitlement Offer	18,456,683	\$1,384,251
Total Applications		\$2,104,807

Scale-back of Applications under Shortfall Facility

As disclosed in Hydrix's prospectus dated 6 July 2020 (**Prospectus**), Hydrix only intends to issue up to the aggregate number of new Shares that were offered under the Entitlement Offer, and in the event of an over-subscription under the Shortfall Facility, Hydrix reserves the right, in consultation with the underwriter of the Entitlement Offer, Henslow Pty Ltd (**Underwriter**), to give priority to the Underwriter and sub-underwriters in allocating any shortfall.

In consultation with the Underwriter, Hydrix has determined to scale-back applications for additional new Shares under the Shortfall Facility (**Shortfall Applications**) in the following manner:

- The value of Shortfall Applications will be scaled back to 29% of the total amount applied for under those Shortfall Applications (such that Shares to the value of \$0.40 million will be allocated to applicants under the Shortfall Facility (each a **Shortfall Applicant**));
- If a Shortfall Applicant applied for less than 7,000 Shares (valued at \$525) under the Shortfall Facility, the Shortfall Applicant will receive the full number of Shares applied for under the Shortfall Facility; and

- A pro-rata scale back (based on the number of Shares held as at the Record Date) will be applied to all Shortfall Applicants who applied for more than 7,000 Shares under the Shortfall Facility, subject to a minimum allocation of at least 7,000 Shares.

All shortfall Shares remaining after implementation of the above scale-back policy will be allocated to the Underwriter and sub-underwriters.

Underwriter Offer

The Entitlement Offer was fully underwritten by Henslow Pty Ltd. Under the terms of the underwriting agreement, the Company has agreed to issue the following options, on the same terms as the Entitlement Options (**Underwriter Options**):

- One Underwriter Option for every 3 Shares sub-underwritten, to sub-underwriters of the Entitlement Offer; and
- 3 million Options to the Underwriter.

The Underwriter Offer closed at 5.00pm (AEST) on Thursday 23 July 2020, with a total of 11,847,320 Underwriter Options validly applied for under the Underwriter Offer.

Issue of new securities

Hydrix will issue and allot the following new securities under the Entitlement Offer and Underwriter Offer on Thursday, 30 July 2020:

	No. of new Shares	No. of new Options ¹	Subscription funds
Entitlement Offer			
To be issued under Entitlement component	9,607,412	3,202,471	\$720,556
To be issued under Shortfall Facility component	5,371,447	1,790,482	\$402,859
To be issued under to Underwriter and sub-underwriters	11,563,100	3,854,367	\$867,233
Sub-total	26,541,959	8,847,320	\$1,990,648
Underwriter Offer			
To be issued to Underwriter	0	3,000,000	\$50
To be issued to sub-underwriters	0	8,847,320	\$0
Sub-total	0	11,847,320	\$50
Total	26,541,959	20,694,238	\$1,990,698

The new securities issued under the Entitlement and Underwriter Offer shares are expected to commence trading on ASX on Friday 31 July 2020.

Holding statements will be dispatched to successful applicants and refunds for application monies where applications were scaled back will be processed on or around Monday 3 August 2020.

¹ The number of Entitlement Options and Underwriter Options to be issued is subject to rounding for fractional entitlements.

Placement Offer Update

As disclosed under the Prospectus, Hydrix is seeking to raise an additional \$1 million (before costs) through the issue of new Shares to sophisticated and professional investors, at the same issue price of 7.5 cents per Share (**Placement Offer**). For every 3 new Shares subscribed for under the Placement Offer, investors will receive 1 free option to acquire a Share, on the same terms as the Entitlement Options issued under the Entitlement Offer. Hydrix has received binding commitments from investors to subscribe for Shares under the Placement Offer.

Completion of the Placement Offer is subject to shareholder approval under ASX Listing Rule 7.1, which the Company intends to seek at a general meeting to be convened in early September 2020. Further details of this meeting will be set out in a Notice of Meeting to be lodged with ASX in the coming weeks.

-ENDS-

Authorisation: This announcement has been authorised by the Board of Hydrix Limited.

Contact details: For more information, please contact:

Company enquiries:

Alyn Tai
Company Secretary
Alyn.Tai@hydrix.com
+61 3 9321 9834

Investor enquiries:

Justin Lewis
Henslow
jlewis@henslow.com
+61 3 8622 3313

Media Enquires

Rod North
Bourse Communications
rod@boursecommunications.com.au
+61 3 9510 8309

About Hydrix Limited

Hydrix Limited (ASX: HYD) is a powerful product innovation company. We leverage our product innovation capability across multiple growth platforms. These platforms include Hydrix Services design and engineering to create products which transform markets; Hydrix Ventures to pick winning investments in high potential innovative products; and Hydrix Medical to create new product revenue streams bringing cardiovascular technologies to market.