

Letters to Ineligible Security Holders

On 28 October 2022, **Hydrix Limited** (ASX: **HYD**) (**Hydrix** or **Company**) announced that it is conducting the following offers:

1. **(Shareholder Offer)** a pro-rata non-renounceable entitlement offer to eligible shareholders of one (1) option to acquire one (1) fully paid ordinary Hydrix share (**Share**) at an exercise price of \$0.12 and an expiry date of 5:00pm (Melbourne time) on 31 December 2023 (**Loyalty Option**) for every eight (8) Shares held on the record date of 7.00pm (Melbourne time) on Wednesday 2 November 2022; and
2. **(HYDO Optionholder Offer)** an offer to eligible HYDO optionholders (**HYDO Optionholders**) of one (1) Loyalty Option for every one (1) HYDO option held as at 4.59pm (Melbourne time) on 31 July 2022,

(Loyalty Options Offer).

Attached are letters dispatched by Hydrix today to all shareholders and HYDO Optionholders who are not eligible to participate in the Loyalty Options Offer.

-ENDS-

Authorisation: This announcement is authorised for release by the Board of Directors of Hydrix Limited.

Contact Details: For more information, please contact:

Company Enquiries:

Gavin Coote
Executive Chairman
info@hydrix.com
+61 3 9550 8100

Media Enquires:

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

About Hydrix Limited

Hydrix Limited (ASX: HYD) is a powerful product innovation company. Hydrix's purpose is to enhance the health, safety, and wellbeing of a billion lives. The company leverages its powerful product innovation capability across three complimentary commercial business segments. These segments are **Hydrix Services:** design and engineer products that transform markets; **Hydrix Ventures:** invest in high potential medtech clients; and **Hydrix Medical:** distribute disruptive cardiovascular products.



7 November 2022

NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES

Dear Shareholder,

Hydrix Limited – Loyalty Options Offer (Shareholder Offer)

On 28 October 2022, Hydrix Limited (ACN 060 369 048) (ASX:HYD) (**Hydrix** or **Company**) announced its intention to undertake the following offers:

1. **(Shareholder Offer)** a pro-rata non-renounceable entitlement offer to eligible shareholders of one (1) option to acquire one (1) fully paid ordinary Hydrix share (**Share**) at an exercise price of \$0.12 and an expiry date of 5:00pm (Melbourne time) on 31 December 2023 (**Loyalty Option**) for every eight (8) Shares held on the record date of 7.00pm (Melbourne time) on Wednesday 2 November 2022 (**Record Date**); and
2. **(HYDO Optionholder Offer)** an offer to eligible HYDO Optionholders of one (1) Loyalty Option for every one (1) HYDO Option held as at 4.59pm (Melbourne time) on 31 July 2022,

(Loyalty Options Offer).

The offer of Loyalty Options is intended to reward loyal security holders who have supported Hydrix, by giving them an opportunity to participate in Hydrix's growth strategy to become a globally diversified med-tech company, whilst simultaneously assisting Hydrix with funding its growth objectives during 2022 and 2023.

Based on the Company's total issued share capital at the date of this letter, the Company will issue an aggregate of 50,464,726 Loyalty Options under the Loyalty Options Offer, to raise approximately \$252,000 (before costs).

The Loyalty Options Offer is fully underwritten by Baker Young Limited, which means that upon completion of the Offer, the Company will (subject to the terms of the underwriting agreement) raise the full offer amount of approximately \$252,000 (before costs).

Details of Shareholder Offer and Ineligibility

Our records indicate that you were a Hydrix shareholder on the Record Date of 7.00pm (Melbourne time) on Wednesday 2 November 2022.

This is a letter to inform you about the Shareholder Offer component of the Loyalty Options Offer and to explain why you will not be able to subscribe for Loyalty Options under the Shareholder Offer. This letter is not an offer to issue Loyalty Options to you, nor an invitation to apply for Loyalty Options. **You are not required to do anything in response to this letter, but there may be implications for you as a result of the Loyalty Options Offer that you should be aware of.**

Under the Shareholder Offer, eligible shareholders will be able to subscribe for 1 Loyalty Option for every 8 Shares held on the Record Date. The Loyalty Options have an issue price of \$0.005 per option.

In addition, for every two Loyalty Options exercised by a holder on or before 5.00pm (Melbourne time) on 30 April 2023 (**Early Exercise Date**), the holder will be entitled to receive one (1) "**Piggyback Option**" for nil consideration. To receive Piggyback Options, a person must be a registered holder of Loyalty Options with an address in Australia, New Zealand or a permitted foreign jurisdiction, and must exercise their Loyalty Options before the Early Exercise Date.

The Shareholder Offer is being made to all shareholders of the Company who:

1. were named in its register of members at the Record Date; and
2. as at the Record Date, have a registered address in Australia or New Zealand (or any jurisdiction that the Company determines, in its sole discretion, it is reasonable to make the offer of Loyalty Options having regard to applicable laws),

(Eligible Shareholders).

Hydrix has determined, pursuant to ASX Listing Rule 7.7.1(a) and section 9A(3) of the Corporations Act, that it would be unreasonable to make or extend offers to Hydrix shareholders in certain countries under the Shareholder Offer.

Unfortunately, according to our records, you do not satisfy the eligibility criteria for an Eligible Shareholder stated above. Accordingly, in compliance with ASX Listing Rule 7.7.1(b) and section 9A(3) of the Corporations Act, Hydrix wishes to advise you that it will not be extending the Shareholder Offer to you, and you will not be able to subscribe for Loyalty Options under the Shareholder Offer and you will not receive any value for the Loyalty Options to which you would otherwise have been entitled.

Further information

For further information about the Shareholder Offer, please contact the Lead Manager, Baker Young Limited, on +61 8 8236 8899 or via email at HydrixOffer@bakeryoung.com.au, or call the Company's share registry, Boardroom Pty Limited, on 1300 737 760 within Australia and +61 2 9290 9600 outside Australia.

On behalf of the Board, I thank you for your continued support of the Company.

Yours sincerely



Gavin Coote
Executive Chairman



7 November 2022

NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES

Dear HYDO Optionholder,

Hydrix Limited – Loyalty Options Offer (HYDO Optionholder Offer)

On 28 October 2022, Hydrix Limited (ACN 060 369 048) (ASX:HYD) (**Hydrix** or **Company**) announced its intention to undertake the following offers:

1. **(Shareholder Offer)** a pro-rata non-renounceable entitlement offer to eligible shareholders of one (1) option to acquire one (1) fully paid ordinary Hydrix share (**Share**) at an exercise price of \$0.12 and an expiry date of 5:00pm (Melbourne time) on 31 December 2023 (**Loyalty Option**) for every eight (8) Shares held on the record date of 7.00pm (Melbourne time) on Wednesday 2 November 2022 (**Record Date**); and
2. **(HYDO Optionholder Offer)** an offer to eligible HYDO optionholders (**HYDO Optionholders**) of one (1) Loyalty Option for every one (1) HYDO Option held as at 4.59pm (Melbourne time) on 31 July 2022,

(Loyalty Options Offer).

The offer of Loyalty Options is intended to reward loyal security holders who have supported Hydrix, by giving them an opportunity to participate in Hydrix's growth strategy to become a globally diversified med-tech company, whilst simultaneously assisting Hydrix with funding its growth objectives during 2022 and 2023.

Based on the Company's total issued share capital at the date of this letter, the Company will issue an aggregate of 50,464,726 Loyalty Options under the Loyalty Options Offer, to raise approximately \$252,000 (before costs).

The Loyalty Options Offer is fully underwritten by Baker Young Limited, which means that upon completion of the Offer, the Company will (subject to the terms of the underwriting agreement) raise the full offer amount of approximately \$252,000 (before costs).

Details of HYDO Optionholder Offer and Ineligibility

Our records indicate that you were a holder of HYDO Options at 4.59pm (Melbourne time) on 31 July 2022.

This is a letter to inform you about the HYDO Optionholder Offer component of the Loyalty Options Offer and to explain why you will not be able to subscribe for Loyalty Options under the HYDO Optionholder Offer. This letter is not an offer to issue Loyalty Options to you, nor an invitation to apply for Loyalty Options. **You are not required to do anything in response to this letter, but there may be implications for you as a result of the Loyalty Options Offer that you should be aware of.**

Under the HYDO Optionholder Offer, eligible HYDO Optionholders will be able to subscribe for 1 Loyalty Option for every 1 HYDO Option held as at 4.59pm (Melbourne time) on 31 July 2022. The Loyalty Options have an issue price of \$0.005 per option.

In addition, for every two Loyalty Options exercised by a holder on or before 5.00pm (Melbourne time) on 30 April 2023 (**Early Exercise Date**), the holder will be entitled to receive one (1) "**Piggyback Option**" for nil consideration. To receive Piggyback Options, a person must be a registered holder of Loyalty Options with an address in Australia, New Zealand or a permitted foreign jurisdiction, and must exercise their Loyalty Options before the Early Exercise Date.

The HYDO Optionholder Offer is being made to all registered holders of HYDO Options on the record date of 4.59pm (AEST) on 31 July 2022, with a registered address in Australia or New Zealand (**Eligible HYDO Optionholders**).

Hydrix has determined that it would be unreasonable to make or extend offers to HYDO Optionholders outside Australia or New Zealand under the HYDO Optionholder Offer.

Unfortunately, according to our records, you do not satisfy the eligibility criteria for an Eligible HYDO Optionholder stated above. Accordingly, Hydrix wishes to advise you that it will not be extending the HYDO Optionholder Offer to you, and you will not be able to subscribe for Loyalty Options under the HYDO Optionholder Offer and you will not receive any value for the Loyalty Options to which you would otherwise have been entitled.

Further information

For further information about the HYDO Optionholder Offer, please contact the Lead Manager, Baker Young Limited, on +61 8 8236 8899 or via email at HydrixOffer@bakeryoung.com.au, or call the Company's share registry, Boardroom Pty Limited, on 1300 737 760 within Australia and +61 2 9290 9600 outside Australia.

On behalf of the Board, I thank you for your continued support of the Company.

Yours sincerely



Gavin Coote
Executive Chairman