

24 March 2016



The Manager
Australian Securities Exchange
Level 5, 20 Bridge Street
Sydney NSW 2000

By Electronic Lodgement

**Montech Holdings Limited (MOQ.ASX) to Raise \$9 million to complete
Acquisition Funding**

The directors of Montech Holdings Limited (the Company) are pleased to announce the release of a transaction specific prospectus to raise up to \$9 million before costs via the issue of approximately 327.3 million shares at 2.75c per share (**Offer**).

The Company has received firm commitments to subscribe for approximately \$9 million. The Company will process the applications under the prospectus with the expectation that the Offer will close on or around 30 March 2016.

The funds raised under the Offer will be used for financing the TETRAN and Skoolbag acquisitions, for ongoing working capital requirements and for potential new investments which have not yet been identified by the Company.

The capital raising will be undertaken in two tranches, with tranche 1 of \$4.44 million being placed under the Company's current 15% placement capacity, with the balance of \$4.56 million being placed subject to shareholder approval at an extraordinary general meeting of the Company (EGM), which is expected to be on or around 9 May 2016.

The Company intends to complete the Skoolbag acquisition shortly after the issue and allotment of the tranche 1 shares on or around 1 April 2016.

The TETRAN acquisition is expected to complete shortly after the EGM, where shareholders will be asked, amongst other items, to approve the issue of the TETRAN completion shares and the approval to issue and allot the tranche 2 shares.

Non-Executive Chairman, David Shein, said the capital raising is a significant milestone for the Company and enables the completion of both the Skoolbag and TETRAN¹ acquisitions, announced on the 3rd of March, 2016.

The Company was pleased with the ongoing support from existing shareholders and also welcomed a number of new institutional shareholders to the Company's register.

¹ Subject to shareholder approval

Chief Executive Officer, Ms Nicki Page said that she is focused on delivering growth in earnings both organically and through carefully targeted acquisitions. She said that any acquisitions will be aimed at improving the competitive positions of the various divisions of MOQ and adding shareholder value.

Blue Ocean Equities has acted as Sole Lead Manager under the Offer.

For and on behalf of the board

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