

HOLISTA COLLTECH LIMITED
ACN 094 515 992

PROSPECTUS

For the offer of up to 10,000 Shares in the capital of the Company at an issue price of \$0.04 per Share to raise up to \$400 (before expenses).

This Prospectus has been prepared primarily for the purpose of section 708A(11) of the Corporations Act to remove any trading restrictions on the sale of Shares issued by the Company prior to the Closing Date.

IMPORTANT NOTICE

This document is important and should be read in its entirety. If after reading this Prospectus you have any questions about the Shares being offered under this Prospectus or any other matter, then you should consult your stockbroker, accountant or other professional adviser.

The Shares offered under this Prospectus should be considered speculative.

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1. CORPORATE DIRECTORY

Directors

Dr Rajendran Marnickavasagar
(Dr Rajen Manicka)
Executive Chairman
Managing Director
CEO

Mr Walter Edward Joseph
Non-Executive Director

Mrs Loren King
Non-Executive Director

Company Secretary

Mr Jay Stephenson

Share Registry*

Computershare Investor Services Pty
Limited
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172 St Georges Terrace
PERTH WA 6000

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ASX Code

HCT

Lawyers*

Edwards Mac Scovell
Level 1/8, St Georges Terrace
PERTH WA 6000

Legal Advisers

Steinepreis Paganin
Level 4, 16 Milligan Street
PERTH WA 6000

Auditors*

Stantons
Level 2, 40 Kings Park Road
WEST PERTH WA 6005

* These entities have not been involved in the preparation of this Prospectus and have not consented to being named in this Prospectus. Their names are included for information purposes only.

2. TIMETABLE AND IMPORTANT NOTES

2.1 Timetable

Action	Date
Lodgement of Prospectus with the ASIC and ASX	5 September 2022
Opening Date	5 September 2022
Closing Date*	5:00pm WST on 8 September 2022
Expected date of Official Quotation of the Shares	12 September 2022

* The Directors reserve the right to bring forward or extend the Closing Date at any time after the Opening Date without notice. As such, the date the Shares are expected to commence trading on ASX may vary with any change in the Closing Date.

2.2 Important Notes

This Prospectus is dated 5 September 2022 and was lodged with the ASIC on that date. The ASIC, ASX and each of their respective officers take no responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates.

No Shares may be issued on the basis of this Prospectus later than 13 months after the date of this Prospectus.

The Offer is only available to those who are personally invited to accept the Offer. Applications for Shares offered pursuant to this Prospectus can only be submitted on an original Application Form which accompanies this Prospectus.

This Prospectus is a transaction specific prospectus for an offer of continuously quoted securities (as defined in the Corporations Act) and has been prepared in accordance with section 713 of the Corporations Act. It does not contain the same level of disclosure as an initial public offering prospectus. In making representations in this Prospectus regard has been had to the fact that the Company is a disclosing entity for the purposes of the Corporations Act and certain matters may reasonably be expected to be known to investors and professional advisers whom potential investors may consult.

2.3 Forward looking statements

This Prospectus contains forward-looking statements which are identified by words such as 'may', 'could', 'believes', 'estimates', 'targets', 'expects', or 'intends' and other similar words that involve risks and uncertainties.

These statements are based on an assessment of present economic and operating conditions, and on a number of assumptions regarding future events and actions that, as at the date of this Prospectus, are expected to take place.

Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of our Company, the Directors and our management.

We cannot and do not give any assurance that the results, performance or achievements expressed or implied by the forward-looking statements contained

in this prospectus will actually occur and investors are cautioned not to place undue reliance on these forward-looking statements.

We have no intention to update or revise forward-looking statements, or to publish prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained in this prospectus, except where required by law.

These forward looking statements are subject to various risk factors that could cause our actual results to differ materially from the results expressed or anticipated in these statements. These risk factors are set out in Section 6.

2.4 Web Site – Electronic Prospectus

A copy of this Prospectus can be downloaded from the website of the Company at www.holistaco.com. If you are accessing the electronic version of this Prospectus for the purpose of making an investment in the Company, you must be an Australian resident and must only access this Prospectus from within Australia.

The Corporations Act prohibits any person passing onto another person an Application Form unless it is attached to a hard copy of this Prospectus or it accompanies the complete and unaltered version of this Prospectus. Any person may obtain a hard copy of this Prospectus free of charge by contacting the Company.

The Company reserves the right not to accept an Application Form from a person if it has reason to believe that when that person was given access to the electronic Application Form, it was not provided together with the electronic Prospectus and any relevant supplementary or replacement prospectus or any of those documents were incomplete or altered.

2.5 Risk Factors

Potential investors should be aware that subscribing for Shares in the Company involves a number of risks.

Potential investors should be aware that the Company is the subject of ongoing civil penalty proceedings in the Federal Court with ASIC. If orders are made, pursuant to these proceedings, the Company may suffer financial loss, reputational damage and the loss of key personnel, being Dr Marnickavasagar. Refer to Section 7.1 for further details.

The other key risk factors of which investors should be aware are set out in Section 6. These risks together with other general risks applicable to all investments in listed securities not specifically referred to, may affect the value of the Shares in the future. Accordingly, an investment in the Company should be considered highly speculative. Investors should consider consulting their professional advisers before deciding whether to apply for Shares pursuant to this Prospectus.

2.6 Overseas Investors

This Offer is not available to overseas investors.

The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law and therefore persons into whose possession this document comes should seek advice on and observe any such restrictions. Any failure to comply with these restrictions constitutes a violation of those laws. This Prospectus does not constitute

an offer of Shares in any jurisdiction where, or to any person to whom, it would be unlawful to issue in this Prospectus.

2.7 Disclaimer

No person is authorised to give any information or to make any representation in connection with the Offer described in this Prospectus which is not contained in this Prospectus. Any information not so contained may not be relied upon as having been authorised by the Company or any other person in connection with the Offer. You should rely only on information in this Prospectus.

3. DETAILS OF THE OFFER

3.1 Offer

Under this Prospectus, the Company invites investors identified by the Directors to apply for up to 10,000 Shares at an issue price of \$0.04 per Share to raise up to \$400 (before expenses).

The Offer will only be extended to specific parties on invitation from the Directors. Application Forms will only be provided by the Company to these parties.

All of the Shares offered under this Prospectus will rank equally with Shares on issue at the date of this Prospectus. The full terms and conditions of the Shares are set out in Section 5.

3.2 Objective

The Company is seeking to raise only a nominal amount of \$400 under this Prospectus and, accordingly, the purpose of this Prospectus is not to raise capital.

The primary purpose of this Prospectus is to remove any trading restrictions that may have attached to Shares issued by the Company prior to the Closing Date, including the following shares that were issued by the Company:

- (a) 2,000,000 Shares on 14 July 2022; and
- (b) 1,450,980 Shares on 16 August 2022.

Relevantly, section 708A(11) of the Corporations Act provides that a sale offer does not need disclosure to investors if:

- (a) the relevant securities are in a class of securities that are quoted securities of the body; and
- (b) either:
 - (i) a prospectus is lodged with the ASIC on or after the day on which the relevant securities were issued but before the day on which the sale offer is made; or
 - (ii) a prospectus is lodged with ASIC before the day on which the relevant securities are issued and offers of securities that have been made under the prospectus are still open for acceptance on the day on which the relevant securities were issued; and
- (c) the prospectus is for an offer of securities issued by the body that are in the same class of securities as the relevant securities.

3.3 Application for Shares

Applications for Shares must be made by investors at the direction of the Company and must be made using the Application Form accompanying this Prospectus.

Payment for the Shares must be made in full at the issue price of \$0.04 per Share.

Completed Application Forms and accompanying cheques, made payable to "**Holista Colltech Limited**" and crossed "**Not Negotiable**", must be mailed or

delivered to the Company at the address set out in the Application Form by note later than the Closing Date.

3.4 Minimum subscription

There is no minimum subscription.

3.5 Oversubscriptions

No oversubscriptions will be accepted by the Company.

3.6 Not underwritten

The Offer is not underwritten.

3.7 Issue of Shares

Issue of Shares under the Offer will take place as soon as practicable after the Closing Date. Application moneys will be held in a separate subscription account until the Shares are issued. This account will be established and kept by the Company in trust for each Applicant. Any interest earned on the application moneys will be for the benefit of the Company and will be retained by the Company irrespective of whether any Shares are issued and each Applicant waives the right to claim any interest.

The Directors will determine the recipients of all the Shares. The Directors reserve the right to reject any application or to allocate any Applicant fewer Shares than the number applied for.

Where the number of Shares issued is less than the number applied for, the surplus moneys will be returned by cheque as soon as practicable after the Closing Date. Where no issue of Shares is made, the amount tendered on application will be returned in full by cheque as soon as practicable after the Closing Date. Interest will not be paid on moneys refunded.

3.8 ASX listing

Application for Official Quotation of the Shares offered pursuant to this Prospectus will be made within 7 days of the date of this Prospectus. If ASX does not grant Official Quotation of the Shares offered pursuant to this Prospectus before the expiration of 3 months after the date of issue of the Prospectus, (or such period as varied by the ASIC), the Company will not issue any Shares and will repay all application monies for the Shares within the time prescribed under the Corporations Act, without interest.

The fact that ASX may grant Official Quotation to the Shares is not to be taken in any way as an indication of the merits of the Company or the Shares now offered for subscription.

3.9 Restrictions on the distribution of the Prospectus

The distribution of this Prospectus outside the Commonwealth of Australia may be restricted by law.

This Offer does not, and is not intended to, constitute an offer in any place or jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer or to issue this Prospectus.

Residents of countries outside Australia should consult their professional advisers as to whether any government or other consents are required, or whether any formalities need to be observed should they wish to make an application to take up Shares on the basis of this Prospectus. The return of a duly completed Application Form will be taken to constitute a representation and warranty that there has been no breach of such laws and that all approvals and consents have been obtained.

3.10 Enquiries

Any questions concerning the Offer should be directed to Mr Jay Stephenson, Company Secretary, on +61 8 9426 0666.

4. PURPOSE AND EFFECT OF THE OFFER

4.1 Purpose of the Offer

The primary purpose of this Prospectus is to remove any trading restrictions that may have attached to Shares issued by the Company prior to the Closing Date (including prior to the date of this Prospectus). All of the funds raised from the Offer will be applied towards the expenses of the Offer. Refer to Section 7.8 for further details relating to the estimated expenses of the Offer.

4.2 Effect of the Offer on capital structure

The effect of the Offer on the Company's capital structure is set out below.

Shares ¹	Number
Shares currently on issue	278,800,067
Shares offered under this Prospectus ²	10,000
Total Shares on issue on completion of the Offer²	278,810,067

Notes:

1. The rights and liabilities attaching to the Shares are summarised in Section 5.
2. This assumes the Offer is fully subscribed and no Options are exercised.

Options

Options	Number
Options currently on issue (exercisable at \$0.07 each on or before 31 December 2022)	20,000,000
Options offered under this Prospectus	Nil
Total Options on issue on completion of the Offer	20,000,000

4.3 Financial effect of the Offer

After expenses of the Offer of approximately \$6,206, there will be no proceeds from the Offer. The expenses of the Offer (exceeding \$400) will be met from the Company's existing cash reserves.

As such, the Offer will have an immaterial effect on the Company's financial position, being receipt of funds of \$400 less costs of preparing the Prospectus of approximately \$6,206.

5. RIGHTS AND LIABILITIES ATTACHING TO SHARES

The following is a summary of the more significant rights and liabilities attaching to Shares being offered pursuant to this Prospectus. This summary is not exhaustive and does not constitute a definitive statement of the rights and liabilities of Shareholders. To obtain such a statement, persons should seek independent legal advice.

Full details of the rights and liabilities attaching to Shares are set out in the Constitution, a copy of which is available for inspection at the Company's registered office during normal business hours.

5.1 General meetings

Shareholders are entitled to be present in person, or by proxy, attorney or representative to attend and vote at general meetings of the Company.

Shareholders may requisition meetings in accordance with section 249D of the Corporations Act and the Constitution of the Company.

5.2 Voting rights

Subject to any rights or restrictions for the time being attached to any class or classes of shares, at general meetings of shareholders or classes of shareholders:

- (a) each Shareholder entitled to vote may vote in person or by proxy, attorney or representative;
- (b) on a show of hands, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder has one vote; and
- (c) on a poll, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder shall, in respect of each fully paid Share held by him, or in respect of which he is appointed a proxy, attorney or representative, have one vote for each Share held, but in respect of partly paid shares shall have such number of votes as bears the same proportion to the total of such Shares registered in the Shareholder's name as the amount paid (not credited) bears to the total amounts paid and payable (excluding amounts credited).

5.3 Dividend rights

Subject to and in accordance with the Corporations Act, the Listing Rules, the rights of any preference Shareholders and to the rights of the holders of any shares created or raised under any special arrangement as to dividend, the Directors may from time to time decide to pay a dividend to the Shareholders entitled to the dividend which shall be payable on all Shares according to the proportion that the amount paid (not credited) is of the total amounts paid and payable (excluding amounts credited) in respect of such Shares. The Directors may rescind a decision to pay a dividend if they decide, before the payment date, that the Company's financial position no longer justifies the payment.

The Directors may from time to time pay to the Shareholders any interim dividends as they may determine. No dividend shall carry interest as against the Company. The Directors may set aside out of the profits of the Company any amounts that they may determine as reserves, to be applied at the discretion of the Directors, for any purpose for which the profits of the Company may be properly applied.

Subject to the Listing Rules and the Corporations Act, the Company may, by resolution of the Directors, implement a Dividend Reinvestment Plan on such terms and conditions as are referred to in the resolution and which plan provides for any dividend which the Directors may declare from time to time and payable on Shares which are participating Shares in the Dividend Reinvestment Plan, less any amount which the Company shall either pursuant to this Constitution or any law be entitled or obliged to retain, to be applied by the Company to the payment of the subscription price of ordinary fully paid Shares.

5.4 Winding-up

If the Company is wound up, the liquidator may, with the authority of a special resolution, divide among the Shareholders in kind the whole or any part of the property of the Company, and may for that purpose set such value as he considers fair upon any property to be so divided, and may determine how the division is to be carried out as between the Shareholders or different classes of Shareholders. No member is obliged to accept any Shares, securities or other assets in respect of which there is any liability.

The liquidator may, with the authority of a special resolution, vest the whole or any part of any such property in trustees upon such trusts for the benefit of the contributories as the liquidator thinks fit, but so that no Shareholder is compelled to accept any shares or other securities in respect of which there is any liability.

5.5 Shareholder liability

As the Shares issued will be fully paid shares, they will not be subject to any calls for money by the Directors and will therefore not become liable for forfeiture.

5.6 Transfer of shares

Generally, shares in the Company are freely transferable, subject to formal requirements, the registration of the transfer not resulting in a contravention of or failure to observe the provisions of a law of Australia and the transfer not being in breach of the Corporations Act and the ASX Listing Rules.

5.7 Future increase in capital

The issue of any new Shares is under the control of the Directors of the Company. Subject to restrictions on the issue or grant of Securities contained in the ASX Listing Rules, the Constitution and the Corporations Act (and without affecting any special right previously conferred on the holder of an existing share or class of shares), the Directors may issue Shares as they shall, in their absolute discretion, determine.

5.8 Variation of rights

Under section 246B of the Corporations Act, the Company may, with the sanction of a special resolution passed at a meeting of Shareholders vary or abrogate the rights attaching to shares.

If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class), whether or not the Company is being wound up, may be varied or abrogated with the consent in writing of the holders of three quarters of the issued shares of that class, or if authorised by a special resolution passed at a separate meeting of the holders of the shares of that class.

5.9 Alteration of constitution

In accordance with the Corporations Act, the Constitution can only be amended by a special resolution passed by at least three quarters of Shareholders present and voting at the general meeting. In addition, at least 28 days written notice specifying the intention to propose the resolution as a special resolution must be given.

6. RISK FACTORS

6.1 Introduction

The Shares offered under this Prospectus are considered highly speculative. An investment in the Company is not risk free and the Directors strongly recommend potential investors to consider the risk factors described below, together with information contained elsewhere in this Prospectus and to consult their professional advisers before deciding whether to apply for Shares pursuant to this Prospectus.

There are specific risks which relate directly to the Company's business. In addition, there are other general risks, many of which are largely beyond the control of the Company and the Directors. The risks identified in this Section, or other risk factors, may have a material impact on the financial performance of the Company and the market price of the Shares.

The following is not intended to be an exhaustive list of the risk factors to which the Company is exposed.

6.2 Company specific

(a) Litigation risks

As set out in Section 7.1, the Company is currently involved in civil penalty proceedings in the Federal Court with ASIC. Refer to Section 7.1 and the Company's ASX announcements for further details in relation to the proceedings and the possible effects of the proceedings on the Company.

The Company is exposed to other possible litigation risks including environmental claims, occupational health and safety claims and employee claims. Further, the Company may be involved in disputes with other parties in the future which may result in litigation. Any such claim or dispute if proven, may impact adversely on the Company's operations, financial performance and financial position.

(b) Research and development

The Company can make no representation that any of its research into or development of additional products will be successful, that development milestones will be achieved, or that the research and development undertaken by the Company will lead to the development of products that are commercially exploitable.

There are many risks inherent in the development of products, particularly where the products are in the early stages of development. Projects can be delayed or fail to demonstrate any benefit, or research may cease to be viable for a range of scientific and commercial reasons.

(c) Loss of key personnel

Human resources are the Company's most important assets and losses of senior team members could have a significant impact on the Company's ability to negotiate contracts, manage costs, exploit opportunities and ultimately ensure business sustainability and profitability.

To this end, the Company encourages and fosters team member retention by means of appropriate remuneration packages (salaries and performance-based incentives). The Company intends to implement succession plans and regularly review these.

(d) **Market Access and Product Acceptance**

The key to the Company's success is its ability to access international markets and build product acceptance. On the latter, given that the Company's products are relatively new, while significant marketing efforts can be expended much will depend on acceptance by consumers of these products.

To this end, the Company has developed many distribution relationships. It will also continue to collaborate closely with the main agents/wholesalers/retailers in key markets and actively maintain and diversify its international customer base.

(e) **Regulatory compliance in new jurisdictions**

If the Company seeks to expand its wholesale and retail businesses to new jurisdictions, there may be restrictions on the manner in which the Company's product may be sold in these new jurisdictions. Until the Company applies for and/or receives the relevant regulatory certification, clearance or confirmations the Company will not be able to expand its operations into new jurisdictions.

(f) **Receipt of Grant**

As announced by the Company on 26 May 2021, the Company has obtained a \$501,250 grant from the Western Australian state government under its Collie Futures Industry Development Fund (the **Grant**). The receipt of the Grant remains subject to certain spending requirements being met by the Company and the proceedings with ASIC detailed in Section 7.1 being resolved.

6.3 Industry Specific

(a) **Legal, Regulatory and Litigation Risks**

Like any other business, the Company is exposed to legal, regulatory and litigation risks that may hinder operations and/or damage its reputation.

In this regard, the Company:

- (i) regularly evaluates the legal and regulatory obligations in each country that it sells its products. In these markets the Company retains regulatory consultants to advise on labelling claims and wording requirements and when required to obtain the necessary permits required to market its products;
- (ii) when entering new geographic markets, will engage the appropriate regulatory consultants to guarantee we meet the local requirements and registrations;
- (iii) regularly reviews, monitors, implements and enforces systems of risk management and internal control, codes of conduct, legal and regulatory compliance; and

- (iv) will put in place and maintain the appropriate product liability and product recall insurances for the markets that the product is and will be sold in.

(b) **Intellectual property**

Securing rights to intellectual property, and in particular patents, is an integral part of securing potential product value from the outcomes of research and development. Competition in retaining and sustaining protection of intellectual property and the complex nature of intellectual property can lead to expensive and lengthy patents disputes for which there can be no guaranteed outcome.

The granting of a patent does not guarantee that the rights of others are not infringed nor that competitors will not develop competing intellectual property that circumvents such patents. The Company's success depends, in part, on its ability to obtain patents, maintain trade secret protection and operate without infringing the proprietary rights of third parties.

Although the Company is not aware of any third party interests in relation to the intellectual property rights of the Company, and has taken steps to protect and confirm its interest any such rights, there is always a risk of third parties claiming involvement in discoveries, and if any disputes arise, they could adversely affect the Company.

Although the Company will implement all reasonable endeavours to protect its intellectual property, there can be no assurance that these measures have been, or will be sufficient.

6.4 General Risks

(a) **Economic**

General economic conditions, introduction of tax reform, new legislation, movements in interest and inflation rates and currency exchange rates may have an adverse effect on the Company, as well as on its ability to fund its operations.

(b) **Coronavirus (COVID-19)**

The outbreak of the coronavirus disease (**COVID-19**) is impacting global economic markets. The Company's Share price may be adversely affected in the short to medium term by the economic uncertainty caused by COVID-19. Further, any governmental or industry measures taken in response to COVID-19 may adversely impact the Company's operations and are likely to be beyond the control of the Company.

The COVID-19 pandemic may also give rise to issues, delays or restrictions in product processing and packaging and the Company's ability to deliver products to customers, which may result in cost increases or adverse impacts on sales.

(c) **Market conditions**

Share market conditions may affect the value of the Company's quoted securities regardless of the Company's operating performance. Share market conditions are affected by many factors such as:

- (i) general economic outlook;
- (ii) introduction of tax reform or other new legislation;
- (iii) interest rates and inflation rates;
- (iv) changes in investor sentiment toward particular market sectors;
- (v) the demand for, and supply of, capital; and
- (vi) terrorism or other hostilities.

The market price of securities can fall as well as rise and may be subject to varied and unpredictable influences on the market for equities in general. Neither the Company nor the Directors warrant the future performance of the Company or any return on an investment in the Company.

Applicants should be aware that there are risks associated with any securities investment. Securities listed on the stock market experience extreme price and volume fluctuations that have often been unrelated to the operating performance of such companies. These factors may materially affect the market price of the Shares regardless of the Company's performance.

(d) **Taxation**

The acquisition and disposal of Shares will have tax consequences, which will differ depending on the individual financial affairs of each investor. All potential investors in the Company are urged to obtain independent financial advice about the consequences of acquiring Shares from a taxation viewpoint and generally.

To the maximum extent permitted by law, the Company, its officers and each of their respective advisors accept no liability and responsibility with respect to the taxation consequences of subscribing for Shares under this Prospectus.

(e) **Additional requirements for capital**

The Company's capital requirements depend on numerous factors. The Company may require further financing in addition to amounts raised under the Offer. Any additional equity financing will dilute shareholdings, and debt financing, if available, may involve restrictions on financing and operating activities. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations. There is however no guarantee that the Company will be able to secure any additional funding or be able to secure funding on terms favourable to the Company.

(f) **Government policy changes**

Adverse changes in government policies or legislation may affect the activities of the Company.

(g) **Insurance**

The Company intends to insure its operations in accordance with industry practice. However, in certain circumstances the Company's insurance may not be of a nature or level to provide adequate insurance cover. The occurrence of an event that is not covered or fully covered by insurance could have a material adverse effect on the business, financial condition and results of the Company.

Insurance of all risks associated with the Company's business may not always be available and where available the costs may be prohibitive.

6.5 Speculative investment

The above list of risk factors ought not to be taken as exhaustive of the risks faced by the Company or by investors in the Company. The above factors, and others not specifically referred to above, may in the future materially affect the financial performance of the Company and the value of the Shares offered under this Prospectus.

Therefore, the Shares to be issued pursuant to this Prospectus carry no guarantee with respect to the payment of dividends, returns of capital or the market value of those Shares.

Potential investors should consider that the investment in the Company is speculative and should consult their professional advisers before deciding whether to apply for Shares pursuant to this Prospectus.

7. ADDITIONAL INFORMATION

7.1 Litigation

As at the date of this Prospectus, the Company is involved in civil penalty proceedings in the Federal Court with ASIC. As stated in the concise statement submitted by ASIC to the Federal Court on 4 August 2021:

- (a) The proceedings concern the conduct of the Company and its Managing Director and Chief Executive Officer (CEO), Dr Rajendran Marnickavasagar, in connection with misleading or deceptive announcements submitted to the ASX with respect to sales of sanitiser products which were marketed in the context of the COVID-19 (SARS-CoV-2) pandemic and a YouTube Video in which Dr Marnickavasagar claimed that a sanitiser was effective against the coronavirus "involved in the current Wuhan outbreak" before there were test results to support this claim.
- (b) ASIC alleges that the Company contravened ss 674(2) and 1041H(1) of the Corporations Act. ASIC also alleges that Dr Marnickavasagar made available, authorised and/or permitted the announcements and other responses to the ASX containing false or misleading information contrary to s 1309(2) of the Corporations Act. Further, ASIC alleges that Dr Marnickavasagar exposed the Company to the risk of declarations of contraventions of the law and civil pecuniary penalties and thereby failed to exercise his powers and discharge his duties with the degree of care and diligence required by s 180(1) of the Act.

ASIC seeks declarations, pecuniary penalties and costs against the Company and Dr Marnickavasagar. ASIC also seeks a disqualification order against Dr Marnickavasagar.

The primary legal grounds for which ASIC is seeking relief from the court are as follows:

1. *Misleading or Deceptive Conduct by the Company:*

The Company engaged in conduct, in relation to a financial product or a financial service, that was misleading or deceptive in contravention of s 1041H(1) of the Act by making each of:

- (a) the YouTube Representation;
- (b) the Orders Representation; and
- (c) the Revenue Representation.

2. *Breach of continuous disclosure obligations by the Company:*

The Placed Orders Information, the Orders Shortfall Information and the Revenue Shortfall Information (both individually and collectively) satisfied the criteria for disclosure under ss 674 of the Act (when read with s 677). The Company was therefore obliged to disclose each of those matters to ASX immediately upon becoming aware of those matters. Between 9 April 2020 (or alternatively 22 April 2020) and 9 July 2020, in contravention of s 674(2) of the Act, the Company failed to notify the ASX of:

- (a) the Placed Orders Information;

- (b) the Orders Shortfall Information; and/or
- (c) the Revenue Shortfall Information.

With respect to the period from 26 May 2020 to 9 July 2020, while the *Corporations (Coronavirus Economic Response) Determination (No. 2) 2020 (Cth)* was in force, the Company knew that or alternatively was reckless or negligent with respect to whether the Placed Orders Information, the Orders Shortfall Information and the Revenue Shortfall Information would, if it were generally available, have a material effect on the price or value of shares in the Company.

3. *Breach of directors' duties by Dr Marnickavasagar:*

ASIC alleges that Dr Marnickavasagar breached s 180(1) of the Act by causing and/or permitting the Company to breach s 1041H(1) and/or s 674(2) of the Act, in that he failed to:

- (a) take all necessary steps to ensure that any representation made by him on behalf of the Company was not misleading or deceptive or likely to mislead or deceive;
- (b) take all necessary steps to ensure that any announcement or other document he approved for submission to the ASX was not misleading or deceptive or likely to mislead or deceive; and
- (c) take all necessary steps to qualify, withdraw or correct any existing announcement or document made to the ASX so that it was not misleading or deceptive or likely to mislead or deceive,

and thereby exposed the Company to the risk of proceedings for contraventions of the Act, legal costs and penalties.

4. *Provision of false information to a market operator and members by Dr Marnickavasagar:*

ASIC alleges that Dr Marnickavasagar breached s 1309(2)/(12) of the Act by making available or giving, or alternatively authorising or permitting the making available or giving of:

- (a) the 9 April 2020 Announcement, to the ASX and to members of the Company, containing the Orders Representation and the Revenue Representation;
- (b) the 17 April 2020 ASX Response to the ASX, in which the Company represented that a Binding Term Sheet was executed between the Company and GICC on 20 February 2020 at around 1.47 pm; and
- (c) the 20 April 2020 ASX Response to the ASX and to members of the Company, in which the Company represented that a Binding Term Sheet was executed between the Company and GICC on 20 February 2020 at around 1.47 pm,

being information that was false or misleading in a material particular without having taken reasonable steps to ensure that the information was not false or misleading in a material particular.

The alleged harm suffered from this conduct, as stated by ASIC is:

As a result of the Company's misleading or deceptive conduct and its failure to make continuous disclosure, and Dr Marnickavasagar's making available or giving, or alternatively authorising or permitting the making available of false or misleading information, the market traded on a materially uninformed or misinformed basis at various times during the Relevant Period. In the period from 9 April 2020 and 9 July 2020, 292,680,680 the Company shares with a total value of \$48,166,765 were traded.

If these orders are made, the Company:

- (a) may suffer financial loss as a result of the Company having to pay pecuniary penalties and costs;
- (b) may suffer reputational damage, which could adversely affect the Company's operating results, financial position and brand; and
- (c) may not be able to replace Dr Marnickavasagar with persons of equivalent expertise and experience within a reasonable period of time or at all and the Company may incur additional expenses to recruit, train and retain personnel.

A case management hearing has been listed on 19 October 2022.

At the date of this Prospectus, it is premature to estimate the total liabilities the Company will be liable for this case.

As at the date of this Prospectus, the Company is not involved in any legal proceedings other than as set out above and the Directors are not aware of any other legal proceedings pending or threatened against the Company.

7.2 Continuous disclosure obligations

The Company is a "disclosing entity" (as defined in section 111AC of the Corporations Act) for the purposes of section 713 of the Corporations Act and, as such, is subject to regular reporting and disclosure obligations. Specifically, like all listed companies, the Company is required to continuously disclose any information it has to the market which a reasonable person would expect to have a material effect on the price or the value of the Company's securities.

This Prospectus is a "transaction specific prospectus". In general terms a "transaction specific prospectus" is only required to contain information in relation to the effect of the issue of securities on the Company and the rights attaching to the securities. It is not necessary to include general information in relation to all of the assets and liabilities, financial position, profits and losses or prospects of the issuing company.

This Prospectus is intended to be read in conjunction with the publicly available information in relation to the Company which has been notified to ASX and does not include all of the information that would be included in a prospectus for an initial public offering of securities in an entity that is not already listed on a stock exchange. Investors should therefore have regard to the other publicly available information in relation to the Company before making a decision whether or not to invest.

Having taken such precautions and having made such enquires as are reasonable, the Company believes that it has complied with the general and

specific requirements of ASX as applicable from time to time throughout the 3 months before the issue of this Prospectus which required the Company to notify ASX of information about specified events or matters as they arise for the purpose of ASX making that information available to the stock market conducted by ASX.

Information that is already in the public domain has not been reported in this Prospectus other than that which is considered necessary to make this Prospectus complete.

The Company, as a disclosing entity under the Corporations Act states that:

- (a) it is subject to regular reporting and disclosure obligations;
- (b) copies of documents lodged with the ASIC in relation to the Company (not being documents referred to in section 1274(2)(a) of the Corporations Act) may be obtained from, or inspected at, the offices of the ASIC; and
- (c) it will provide a copy of each of the following documents, free of charge, to any person on request between the date of issue of this Prospectus and the Closing Date:
 - (i) the annual financial report most recently lodged by the Company with the ASIC;
 - (ii) any half-year financial report lodged by the Company with the ASIC after the lodgement of the annual financial report referred to in (i) and before the lodgement of this Prospectus with the ASIC; and
 - (iii) any continuous disclosure documents given by the Company to ASX in accordance with the ASX Listing Rules as referred to in section 674(1) of the Corporations Act after the lodgement of the annual financial report referred to in (i) and before the lodgement of this Prospectus with the ASIC.

Copies of all documents lodged with the ASIC in relation to the Company can be inspected at the registered office of the Company or an ASIC office during normal office hours.

Details of documents lodged with ASX since the date of lodgement of the Company's latest annual financial report and before the lodgement of this Prospectus with the ASIC are set out in the table below:

Date	Description of Announcement
5 September 2022	Notification regarding unquoted securities - HCT
30 August 2022	Record Interim Revenue and Improved Earnings
30 August 2022	Appendix 4D and Interim Financial Report
17 August 2022	Proposed issue of securities
17 August 2022	Application for quotation of securities
4 August 2022	Investor Webinar Presentation
28 July 2022	Quarterly Activity and Cashflow Report

Date	Description of Announcement
14 July 2022	Application for quotation of securities
23 June 2022	Becoming a substantial holder
31 May 2022	Results of Meeting
31 May 2022	AGM Presentation
29 April 2022	Notice of Annual General Meeting/Proxy Form
29 April 2022	Quarterly Activity and Cashflow Report
29 April 2022	Letter to Shareholders
29 April 2022	Test Results on All-Natural Nano Silver Disinfectant
21 April 2022	First Commercial Order from Country Farms/Starbucks
31 March 2022	Appendix 4G
31 March 2022	Annual Report to Shareholders

ASX maintains files containing publicly available information for all listed companies. The Company's file is available for inspection at ASX during normal office hours. The announcements are also available through the Company's website www.holistaco.com.

7.3 Market price of Shares

The Company is a disclosing entity for the purposes of the Corporations Act and its Shares are enhanced disclosure securities quoted on ASX.

The highest, lowest and last market sale prices of the Shares on ASX during the three months immediately preceding the date of lodgement of this Prospectus with the ASIC and the most recent dates of those sales were:

	Price	Date
Highest	\$0.044	28, 29 July and 1 August 2022
Lowest	\$0.026	14, 15 and 16 June 2022
Last	\$0.040	2 September 2022

7.4 Details of substantial holders

Based on publicly available information as at the date of this Prospectus, those persons which (together with their associates) have a relevant interest in 5% or more of the Shares on issue are set out below:

Shareholder	Shares	%
Anthony Ramage	24,958,000	7.32%
Dr. Rajen Manicka	85,735,272	30.75%
Global EHealth Limited	43,626,621	15.65%

Note:

There will be no change to the substantial holders on completion of the Offer.

7.5 Directors' Interests

Other than as set out below or elsewhere in this Prospectus, no Director nor any firm in which such a Director is a partner, has or had within 2 years before the lodgement of this Prospectus with the ASIC, any interest in:

- (a) the formation or promotion of the Company;
- (b) property acquired or proposed to be acquired by the Company in connection with its formation or promotion or the Offer pursuant to this Prospectus; or
- (c) the Offer,

and no amounts have been paid or agreed to be paid (in cash or Shares or otherwise) to any Director or to any firm in which any such Director is a partner or director, either to induce them to become, or to qualify them as, a Director or otherwise for services rendered by them or by the firm in connection with the formation or promotion of the Company or the Offer.

Security holdings

The relevant interest of each of the Directors in the securities of the Company as at the date of this Prospectus is set out in the table below.

Director	Shares	Options
Rajen Manicka	85,735,272	Nil
Walter Edward Joseph	Nil	Nil
Loren King	Nil	Nil

None of the Directors intend to participate in the Offer.

Remuneration

The remuneration of an executive Director is decided by the Board, without the affected executive Director participating in that decision-making process. The total maximum remuneration of non-executive Directors is initially set by the Constitution and subsequent variation is by ordinary resolution of Shareholders in general meeting in accordance with the Constitution, the Corporations Act and the ASX Listing Rules, as applicable. The determination of non-executive Directors' remuneration within that maximum will be made by the Board having regard to the inputs and value to the Company of the respective contributions by each non-executive Director. The current amount has been set at an amount not to exceed \$200,000 per annum.

A Director may be paid fees or other amounts (ie non-cash performance incentives such as Options, subject to any necessary Shareholder approval) as the other Directors determine where a Director performs special duties or otherwise performs services outside the scope of the ordinary duties of a Director. In addition, Directors are also entitled to be paid reasonable travelling, hotel and other expenses incurred by them respectively in or about the performance of their duties as Directors.

The following table shows the total (and proposed) annual remuneration paid to both executive and non-executive directors.

Director	2022 Proposed Remuneration	2021	2020
Rajen Manicka	\$335,854	\$357,210	\$369,146
Walter Edward Joseph ¹	\$48,000	\$32,333	Nil
Loren King ^{2,3}	\$48,000	\$28,333	Nil

Notes:

1. Mr Joseph was appointed 28 June 2021.
2. Mrs King's remuneration was paid by way of fees to Risky Vulture Enterprise Pty Ltd.
3. Mrs King was appointed 31 July 2021.

7.6 Interests of experts and advisers

Other than as set out below or elsewhere in this Prospectus, no:

- (a) person named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus;
- (b) promoter of the Company; or
- (c) underwriter (but not a sub-underwriter) to the issue or a financial services licensee named in this Prospectus as a financial services licensee involved in the issue,

holds, or has held within the 2 years preceding lodgement of this Prospectus with the ASIC, any interest in:

- (d) the formation or promotion of the Company;
- (e) any property acquired or proposed to be acquired by the Company in connection with:
 - (i) its formation or promotion; or
 - (ii) the Offer; or
- (f) the Offer,

and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to any of these persons for services provided in connection with:

- (g) the formation or promotion of the Company; or
- (h) the Offer.

Steinepreis Paganin has acted as the legal advisers to the Company in relation to the Offer. The Company estimates it will pay Steinepreis Paganin \$3,000 (excluding GST and disbursements) for these services. During the 24 months preceding lodgement of this Prospectus with the ASIC, Steinepreis Paganin has been paid nil fees for legal services provided to the Company.

7.7 Consents

Chapter 6D of the Corporations Act imposes a liability regime on the Company (as the offeror of the Securities), the Directors, the persons named in the Prospectus with their consent as Proposed Directors, any underwriters, persons named in the Prospectus with their consent having made a statement in the Prospectus and persons involved in a contravention in relation to the Prospectus, with regard to misleading and deceptive statements made in the Prospectus, Although the Company bears primary responsibility for the Prospectus, the other parties involved in the preparation of the Prospectus can also be responsible for certain statements made in it.

Each of the parties referred to in this Section:

- (a) does not make, or purport to make, any statement in this Prospectus other than those referred to in this Section; and
- (b) in light of the above, only to the maximum extent permitted by law, expressly disclaims and takes no responsibility for any part of this Prospectus other than a reference to its name and a statement included in this Prospectus with the consent of that party as specified in this Section.

Steinepreis Paganin has given its written consent to being named as the legal advisers to the Company in this Prospectus. Steinepreis Paganin has not withdrawn its consent prior to the lodgement of this Prospectus with the ASIC.

7.8 Estimated expenses of Offer

The estimated expenses of the Offer are estimated to be approximately \$6,206 (excluding GST) and are expected to comprise legal fees and other administrative expenses, including ASIC fees. The estimated expenses will be paid out of the Company's existing working capital.

7.9 Electronic Prospectus

ASIC has exempted compliance with certain provisions of the Corporations Act to allow distribution of an electronic prospectus and electronic application form on the basis of a paper prospectus lodged with the ASIC, and the publication of notices referring to an electronic prospectus or electronic application form, subject to compliance with certain conditions.

If you have received this Prospectus as an electronic Prospectus, please ensure that you have received the entire Prospectus accompanied by the Application Forms. If you have not, please contact the Company on +61 8 9426 0666 and the Company will send you, for free, either a hard copy or a further electronic copy of the Prospectus, or both. Alternatively, you may obtain a copy of this Prospectus from the Company's website at www.holistaco.com.

The Company reserves the right not to accept an Application Form from a person if it has reason to believe that when that person was given access to the electronic Application Form, it was not provided together with the electronic Prospectus and any relevant supplementary or replacement prospectus or any of those documents were incomplete or altered.

7.10 Clearing House Electronic Sub-Register System (CHESS) and Issuer Sponsorship

The Company will not be issuing Share certificates. The Company is a participant in CHESS, for those investors who have, or wish to have, a sponsoring stockbroker.

Investors who do not wish to participate through CHES will be issuer sponsored by the Company. Because the sub-registers are electronic, ownership of securities can be transferred without having to rely upon paper documentation.

Electronic registers mean that the Company will not be issuing certificates to investors. Instead, investors will be provided with a statement (similar to a bank account statement) that sets out the number of Shares issued to them under this Prospectus. The notice will also advise holders of their Holder Identification Number or Security Holder Reference Number and explain, for future reference, the sale and purchase procedures under CHES and issuer sponsorship.

Further monthly statements will be provided to holders if there have been any changes in their security holding in the Company during the preceding month.

7.11 Financial forecasts

The Directors have considered the matters set out in ASIC Regulatory Guide 170 and believe that they do not have a reasonable basis to forecast future earnings on the basis that the operations of the Company are inherently uncertain. Accordingly, any forecast or projection information would contain such a broad range of potential outcomes and possibilities that it is not possible to prepare a reliable best estimate forecast or projection.

7.12 Privacy Act

If you complete an application for Shares, you will be providing personal information to the Company. The Company collects, holds and will use that information to assess your application, service your needs as a Shareholder, facilitate distribution payments and corporate communications to you as a Shareholder and carry out administration.

The information may also be used from time to time and disclosed to persons inspecting the register, bidders for your securities in the context of takeovers, regulatory bodies, including the Australian Taxation Office, authorised securities brokers, print service providers, mail houses and the Company's Share Registry.

You can access, correct and update the personal information that we hold about you. Please contact the Company if you wish to do so at the relevant contact numbers set out in this Prospectus.

Collection, maintenance and disclosure of certain personal information is governed by legislation including the *Privacy Act 1988 (Cth)* (as amended), the *Corporations Act* and certain rules such as the ASX Settlement Operating Rules. You should note that if you do not provide the information required on the application for Shares, the Company may not be able to accept or process your application.

8. DIRECTORS' AUTHORISATION

This Prospectus is issued by the Company and its issue has been authorised by a resolution of the Directors.

In accordance with section 720 of the Corporations Act, each Director has consented to the lodgement of this Prospectus with the ASIC.



Dr Rajen Manicka
Chairman
For and on behalf of
Holista Colltech Limited

9. DEFINITIONS

\$ means Australian dollars.

Applicant means an investor who applies for Shares pursuant to the Offer.

Application Form means an application form either attached to or accompanying this Prospectus.

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited (ACN 008 624 691) or the financial market operated by it, as the context requires.

ASX Listing Rules means the listing rules of the ASX.

ASX Settlement Operating Rules means the settlement rules of the securities clearing house which operates CHESSE.

Board means the board of Directors unless the context indicates otherwise.

Business Day means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day and any other day that ASX declares is not a business day.

Closing Date means the date specified in the timetable in Section 2.1 (unless extended or brought forward).

Company means Holista Colltech Limited (ACN 094 515 992).

Constitution means the constitution of the Company as at the date of this Prospectus.

Corporations Act means the *Corporations Act 2001* (Cth).

Directors means the directors of the Company as at the date of this Prospectus.

Offer means the offer of Shares referred to in the "Details of the Offer" Section of this Prospectus.

Official Quotation means official quotation on ASX.

Opening Date means the opening date of the Offer as specified in the timetable set out in Section 2.1 (unless varied).

Option means an option to acquire a Share.

Prospectus means this prospectus.

Section means a section of this Prospectus.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a shareholder of the Company.

WST means western standard time as observed in Perth, Western Australia.