



8 November 2022

Dear Optionholder,

Renounceable Rights Issue Offer

As announced on 1 November 2022, **HIT·IQ Limited** ACN 609 543 213 (ASX: HIQ) ("**HIQ**" or "**the Company**") is undertaking a renounceable pro-rata entitlement offer to eligible Company shareholders (**Offer**). The Offer is open to all eligible shareholders of the Company who are on the share register at 5:00pm (AEDT) on 10 November 2022 (**Record Date**) and who have a registered address in Australia or New Zealand.

The Company is seeking to raise up to approximately \$6.35 million (before costs), on the basis that no more than 211,870,429 new fully paid ordinary shares (**New Shares**) will be issued pursuant to the Offer.

Under the terms of the Offer, each eligible shareholder will have a right to subscribe for New Shares in the Company on the basis of 8 New Shares for every 5 existing shares held at an issue price of \$0.03 each, together with one free attaching option for every New Share subscribed (**2022 Rights Offer**).

The 2022 Rights Offer is being made by HIQ pursuant to a prospectus prepared in accordance with the *Corporations Act 2001 (Cth)* (**Act**) (**Offer Document**).

You are the holder of unlisted options to purchase shares in the Company. The 2022 Rights Offer is only available to holders of shares in the Company, and not with respect to shares that underlie any options that have not been exercised.

The purpose of this letter is to advise you that you are not entitled to participate in the 2022 Rights Issue Offer (with respect to any shares that underlie your options) other than to the extent to which you first exercise some or all of your options. The exercise of your options needs to be completed before the Record Date. If you wish to exercise some or all of your options and they are eligible to be exercised on their terms, you should complete a notice of exercise of options (available from the Company's share registry, Automatic Registry Services) and lodge that notice with the Company together with your payment of the exercise price for the number of options you wish to exercise. The address for lodgement is Suite 3, 128 Main Street Osborne Park WA 6017.

If you decide to exercise some or all of your options before the Record Date, the shares that issue upon that exercise of those options will be included in your shareholding as at the Record Date for the purposes of the 2022 Rights Offer. Your aggregate holding of shares at the Record Date determines the extent of your entitlement to participate in the Rights Issue Offer.

The anticipated timetable for the Offer is as follows:

Rights Issue announced	Tuesday, 1 November 2022 (Before open of ASX trade)
Letter sent to option holders advising they cannot participate in the Rights Issue Offer without first exercising their options.	Tuesday, 8 November 2022

"Ex" date for the Rights Issue Offer (being the date that Shares start trading without the entitlements to participate in the Offer)	Wednesday, 9 November 2022.
Record date to determine entitlements under the Offer	5.00pm (AEDT), Thursday, 10 November 2022
Rights Issue Offer Document and Entitlement and Acceptance Form despatched to Eligible Shareholders and Rights Issue Offer opens	Monday, 14 November 2022
Rights Issue Offer closes (Closing Date)	5.00pm (AEDT), Monday, 29 November 2022
Rights trading ends at close of trading	Friday, 25 November 2022
New Shares issued under the Offer. Deferred settlement trading ends.	Friday, 9 December 2022
Trading of New Shares expected to commence	Tuesday, 13 December 2022

The above timetable is indicative only and subject to change. Subject to the *Corporations Act 2001* and the ASX Listing Rules, the Directors reserve the right to vary these dates, including the Closing Date. The Directors also reserve the right not to proceed with the Offer (or any part of it) at any time prior to allotment. In that event, any application money received will be returned without interest.

Further details of the Offer are contained in the announcement made on ASX on 1 November 2022. The Offer Document will be available on the ASX website (www.asx.com.au) as from the opening of the Offer. The Offer Document and the Entitlement and Acceptance Form will be sent to all Eligible Shareholders on 14 November 2022.

Please ensure you read the Offer Document in its entirety and refer to the Company's ASX announcements before considering whether to participate in the Offer. If in any doubt you should consult your professional advisor.

If you do not wish to participate in the Offer (in respect of your options) you do not need to take any action.

For further information on your Entitlement please contact the Company's share registry, Automic Registry Services, on 1300 288 664 or +61 2 9698 5414.

For and behalf of the Board of Directors



Michael Vegar
Managing Director