

23 February 2024

CLOSE OF SHORTFALL OFFER AND LEADERSHIP CHANGES

Close of Shortfall Offer

HITIQ Limited (ASX: HIQ) (the Company) advises that the Shortfall Offer for the pro-rata non-renounceable rights issue as announced on 16 October 2023 (**Rights Issue**) has now closed.

A total of \$1,271,192 was raised from shareholders under the Rights Issue, and the Board thanks shareholders for their support.

Disappointingly, one of the parties who had executed a Shortfall Commitment has failed to meet their commitment of \$450,000 to the Rights Issue shortfall prior to the shortfall close date as specified in the ASX Listing Rules. As a result of (i) the level of participation by shareholders in the Rights Issue and (ii) the failure to receive that shortfall commitment of \$450,000 - this has limited the amount of cash subscription funds which the Company's new major shareholder, Harmil Angel Investments, is permitted to subscribed with the 19.9% limit as outlined in Chapter 6 of the Corporations Act 2001 (Cth).

Whilst the Company continues to pursue the Shortfall Commitment party outlined above, there is no certainty that these funds will be received. Prudently, the Company is exploring and progressing alternate capital management arrangements, noting any additional equity investment would need to come out of the Company's 7.1 and 7.1A Placement Capacity given the Shortfall Offer has now closed or otherwise be approved by shareholders.

A final summary of funds received under the Rights Issue plus the subsequent Shortfall Offer is provided overleaf.



Rights Issue and Shortfall Offer	New Shares*	New Options*	Funds \$
Placement	27,284,246	13,642,123	\$600,253
Maximum under the Rights Issue	147,031,768	73,515,884	\$3,234,699

Entitlement acceptances under the Rights Issue	29,408,119	14,704,060	\$646,979
Top-Up Facility acceptances up under the Rights Issue	2,986,040	1,493,020	\$65,693
Shortfall Offer take-up **	25,387,273	12,693,637	\$558,520
Total funds received under the Rights Issue plus the subsequent Shortfall Offer	57,781,432	28,890,717	\$1,271,192

* The number of New Shares and New Options Is subject to rounding.

** Shortfall Offer take-up comprises Placements announced 4 January 2024 and 22 January 2024

Leadership Changes

The process of recruiting a permanent CEO is underway.

Notwithstanding, given the need to explore alternate capital management arrangements, the following changes to the leadership team have been implemented effective immediately to ensure the Company has an appropriate cost-base in the immediate short-term:

- Glenn Smith has resigned as a director of the Company and its subsidiaries.
- Mike Vegar, founder of the Company and previous CEO, has assumed Interim CEO duties until the new CEO commences and an appropriate handover can be undertaken.
- James Barrie, HITIQ's Company Secretary, has been appointed a Non-Executive Director, with recruitment of additional directors to commence following the appointment of a new permanent CEO.

The Board thanks Glenn Smith for his service to the Company, in particular since assuming the Interim CEO role from 4 September 2023, and wishes him well with his future endeavors.

This announcement is authorised by the Board.

Ends

For more information, contact: investors@hitiq.com



About HITIQ

HITIQ has an evidenced-based brain care solution company deploying world-class technologies.

Our solutions include a sensor-enabled mouthguard to an AI-enabled data analytics interface and, best in class return to play/work support software.

Our technology enables data driven decisions for thousands of professional and amateur sports players who experience brain impacts, empowers clinicians who care for their brains and enhance concussion management policies for progressive leagues around the globe.

Our customers include the Australian Football League (AFL), English Premier League (EPL), and the National Rugby League (NRL), along with numerous other teams in a variety of sporting codes. We also service universities and research organisations studying the impacts (both short and long-term) of repeat head impacts.