



Announcement to ASX

ASX Code: HTG

6 MAY 2024

## LOAN NOTE FINANCING RAISES A\$1.2M

**May 6, 2024:** Harvest Technology Group Limited (ASX:HTG) (**Company, Harvest, Group**) is pleased to advise that Loan Note Financing Agreements ('Loan Agreements') with several key existing shareholders and new investors has raised A\$1,200,000 to date with up to an additional A\$200,000 (for a total of A\$1,400,000) of new funding expected before raising fees.

Alto Capital were lead manager for the raise and will receive a fee equivalent to 6% of funds raised for their services. We thank Alto for their ongoing and long-term support of HTG.

The funding will be utilised to provide general working capital for the Group.

The key terms for the Loan Agreements are summarised as follows:

1. Loan Term: 12 months commencing 26 April 2024.
2. Loan to Value Ratio (LVR) estimated to be up to 85% of the expected FY24 total R&D Rebate of \$1.65M.
3. The Loan Principal under all scenarios is to be repaid in cash at the earlier of 12 months or 20 business days from HTG receiving the R&D Rebate for FY24.
4. Loan Interest: 15% per annum, payable at the Note Holders option as follows:
  - A. In cash at end of term.
  - B. In cash or shares (at \$0.035 per share) at end of term.
  - C. 12 months' interest paid upfront based on a 10% discount to the 10-trading day VWAP (Volume Weighted Average Price) at the Loan Commencement Date (26<sup>th</sup> April 2024), which is \$0.0228 per share x 90% = \$0.0205 per share
  - D. Investors must nominate one of the three interest repayment options at the time of their investment.
  - E. Maximum interest payable is \$210,000 (full 12 months), or if all investors select Option C above, then based on the 10-day VWAP less 10% discount of \$0.0205 = 10,243,903 shares would be issued providing a minimally dilutive funding solution.

*HTG's CEO, Ilario Faenza, stated:*

"I am delighted to report we have secured \$1.2M of funding to date (before raising fees) to support the transformation of HTG into a world class technology company. The debt funding structure I designed in conjunction with Alto ensures minimal dilution for existing shareholders, with only the interest component for some investors being issued either in shares at a 10% discount to current 10-day trading VWAP, or at the end of the loan term at a fixed \$0.035 per share conversion. At most, the Company would issue 10,243,903 shares if all investors nominated Option C, which equates to approximately 1.26% of HTG total issued capital. I look forward to providing further updates and as outlined at our recent EGM, I will be presenting our high level 3-year strategic plan to the market in June this year, where I will provide further detail on the acquisitions and customer contracts currently being negotiated prior to the end of financial year."

-ENDS-

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*This announcement was authorised for release by The Board of Harvest Technology Group Limited*

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**About Harvest Technology Group**

Harvest Technology Group Limited (ASX: HTG) is a global leader in network optimised remote operations that deliver real-time remote control, communication, automation, and monitoring capabilities. Headquartered in Perth, Australia, the group of companies is revolutionising remote field services with ultra-low bandwidth Network Optimised Livestreaming solutions that enable customers to stay connected to operations and personnel anywhere in the world while utilising just a fraction of existing bandwidth resources.

To learn more please visit: <https://harvest.technology/>

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