



Hostech Limited
ACN: 009 805 298
71 Thistlethwaite St
South Melbourne 3205
VIC Australia
Tel: 03 9 698 7800
Fax: 03 9 698 7878
www.hostech.com.au

22 July 2009

ASX Announcement
Issue of 500,000 Convertible Notes

Pursuant to the Subscription Agreement entered into between Hostech Limited ('Hostech' or 'the Company') and Flaxton Hunter Pty Ltd ('Flaxton Hunter') on 13 March 2009, the Company has issued 500,000 convertible notes.

The convertible notes have a face value of \$1 each, bear interest of 7% per annum and are convertible into Hostech shares at the option of the noteholder at a conversion ratio of 50 shares per convertible note (representing an effective issue price of \$0.02 per share) any time before 21 July 2014. The convertible notes may be redeemed by the noteholder any time on or after 21 July 2014.

The issue of 500,000 convertible notes was approved by Hostech shareholders on 21 April 2009. Funds received from the issue of convertible notes will be used for working capital purposes and to finance future acquisitions.

Justyn Stedwell
Company Secretary
On behalf of the Board of Directors
Hostech Limited