



7 August 2017

ASX Announcement

The Manager Announcements  
Company Announcements Office  
ASX Limited  
20 Bridge Street  
SYDNEY NSW 2000

**Algae.Tec reaches minimum subscription, medicinal marijuana collaboration agreement proceeding**

**Highlights:**

- Minimum subscription amount under \$8 million Entitlement Issue has been reached
- Company seeking to place Shortfall, following strong investor interest
- Final Condition Precedent with Jardin De Invierno SA has been reached, meaning Collaboration and Licence Agreement is now unconditional

Algae.Tec Limited (ASX: "AEB" or "the Company") is pleased to announce that it has received subscriptions for \$5,451,000 and has therefore reached the minimum subscription of its \$8m Entitlement Issue, meaning it has now met the final Condition Precedent of the Collaboration and License Term Sheet Agreement ("Agreement") with Jardin De Invierno SA ("JDL") to expand Algae.Tec's product and technology footprint into the rapidly growing medicinal marijuana market.

A number of 181,700,000 new shares and 90,850,000 new options will be allotted following these subscriptions, and following strong interest from a range of investors, the Company is now seeking to place the final shortfall amount under the Entitlement Issue of \$2.5 million.

The Managing Director of Algae.Tec, Peter Hatfull, stated " *This is a major step forward for Algae.Tec. The Company is now in a position to further expand production in Atlanta and to commence planting of crops and research into new products that will fast tracks revenue generation and growth. The combination of increasing sales of algae nutraceutical products with the sales of cannabinoid products takes the Company into an exciting future*

Peter Hatfull  
**Company Secretary**