

3 April 2020

HCD Rights Issue

Rights Issue

Hydrocarbon Dynamics Limited (HCD) recently announced that it would undertake a 1 for 5 Rights Issue at 1.5 cents per share to raise up to \$846,233.

As announced on 27 March 2020, all HCD directors have committed to participate in the issue and Messr's Mitchell, Shorrocks and Seaton have stated their intention to support the rights issue for their full allocation. HCD's largest shareholder has also expressed its intention to fully participate for its 9.4% entitlement.

The rights issue will be partly underwritten by Messr's Mitchell and Shorrocks through their related parties, Mawalok Pastoral Company Pty Ltd and Spring Street Holding Pty Ltd. The partial underwriting applies to a total of \$64,607 of acceptances of entitlements by shareholders associated with them, with the balance, up to the agreed underwriting amount of \$271,820, relating to a commitment to take up this balance out of any shortfall of acceptances from other shareholders. No underwriting fees will be applicable.

A broker has not been engaged for this pro-rata, non-renounceable rights issue.

The directors reserve the right to place any shortfall at their discretion for a period of three months following the close of the issue. Shareholders will be invited to apply for additional shares on top of their entitlement to be satisfied out of any shortfall of acceptances from other shareholders.

The Record Date for shareholder participation is Wednesday 8 April 2020 and the closing date for subscriptions is 28 April 2020 at 5pm AEST.

HCD plans to use the funds raised from the Rights Issue to allow the Company to accelerate its sales and marketing efforts for its key product, HCD Multi-Flow® as well as for general working capital purposes.

Timetable

The indicative timetable for the Rights Issue offer is set out below:

Key Dates

Event	Date
Announcement of key dates and 3B	Friday, 3 April 2020
Shares traded on an “ex” entitlement basis	Tuesday, 7 April 2020
Record Date for eligibility to participate in the Entitlement Offer	Wednesday, 8 April 2020
Despatch of Entitlement Offer Booklet and Entitlement and Acceptance Form to Eligible Shareholders	Thursday, 9 April 2020
Entitlement Offer opens	Thursday, 9 April 2020
Entitlement Offer closes	Tuesday, 28 April 2020
Securities quoted on a deferred settlement basis	Wednesday, 29 April 2020
Results and shortfall (if any) announced to ASX	Friday, 1 May 2020
Settlement of New Shares under the Entitlement Offer	Monday, 4 May 2020
Issue of New Shares under Entitlement Offer	Monday, 4 May 2020
Despatch of Holding Statements	Tuesday, 5 May 2020
New Shares commence trading on a normal settlement basis	Tuesday, 5 May 2020

Note: The above timetable is indicative only. The Directors of the Company reserve the right to amend the record date and timetable for the issue of the shares, subject to the requirements of the Corporations Act 2001 and ASX Listing Rules.

For further information please contact:

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