



Announcement Summary

Entity name

THE HYDRATION PHARMACEUTICALS COMPANY LIMITED

Announcement Type

New announcement

Date of this announcement

3/8/2023

The Proposed issue is:

- A standard pro rata issue (including non-renounceable or renounceable)
- A placement or other type of issue

Total number of +securities proposed to be issued for a standard pro rata issue (including non-renounceable or renounceable)

ASX +security code	+Security description	Maximum Number of +securities to be issued
New class-code to be confirmed	Unlisted option with an exercise price of \$0.07 and expiry date of 31 December 2025	36,193,420
HPC	ORDINARY FULLY PAID	72,386,840

Ex date

8/8/2023

+Record date

9/8/2023

Offer closing date

4/9/2023

Issue date

11/9/2023

Total number of +securities proposed to be issued for a placement or other type of issue

ASX +security code	+Security description	Maximum Number of +securities to be issued
New class-code to be confirmed	Unlisted option with an exercise price of \$0.07 and expiry date of 31 December 2025	16,666,667
HPC	ORDINARY FULLY PAID	33,333,333



Proposed +issue date

11/8/2023

Refer to next page for full details of the announcement

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Part 1 - Entity and announcement details

1.1 Name of +Entity

THE HYDRATION PHARMACEUTICALS COMPANY LIMITED

We (the entity named above) give ASX the following information about a proposed issue of +securities and, if ASX agrees to +quote any of the +securities (including any rights) on a +deferred settlement basis, we agree to the matters set out in Appendix 3B of the ASX Listing Rules.

If the +securities are being offered under a +disclosure document or +PDS and are intended to be quoted on ASX, we also apply for quotation of all of the +securities that may be issued under the +disclosure document or +PDS on the terms set out in Appendix 2A of the ASX Listing Rules (on the understanding that once the final number of +securities issued under the +disclosure document or +PDS is known, in accordance with Listing Rule 3.10.3C, we will complete and lodge with ASX an Appendix 2A online form notifying ASX of their issue and applying for their quotation).

1.2 Registered Number Type

ACN

Registration Number

620385677

1.3 ASX issuer code

HPC

1.4 The announcement is New announcement**1.5 Date of this announcement**

3/8/2023

1.6 The Proposed issue is: A standard +pro rata issue (non-renounceable or renounceable) A placement or other type of issue**1.6a The proposed standard +pro rata issue is:** + Non-renounceable



Part 3 - Details of proposed entitlement offer issue

Part 3A - Conditions

3A.1 Do any external approvals need to be obtained or other conditions satisfied before the entitlement offer can proceed on an unconditional basis?

No

Part 3B - Offer details

Class or classes of +securities that will participate in the proposed issue and class or classes of +securities proposed to be issued

ASX +security code and description

HPC : ORDINARY FULLY PAID

Is the proposed security a 'New class' (+securities in a class that is not yet quoted or recorded by ASX) or an 'Existing class' (additional securities in a class that is already quoted or recorded by ASX)?

Existing class

Will the proposed issue of this +security include an offer of attaching +securities?

Yes

If the entity has quoted company options, do the terms entitle option holders to participate on exercise?

No

Details of +securities proposed to be issued

ASX +security code and description

HPC : ORDINARY FULLY PAID

ISIN Code (if Issuer is a foreign company and +securities are non CDIs)

ISIN Code for the entitlement or right to participate in a non-renounceable issue (if Issuer is foreign company and +securities are non CDIs)

Offer ratio (ratio to existing holdings at which the proposed +securities will be issued)

The quantity of additional +securities to be issued

100

For a given quantity of +securities held

227



What will be done with fractional entitlements?

Fractions rounded up to the next whole number

Maximum number of +securities proposed to be issued (subject to rounding)

72,386,840

Offer price details for retail security holders

In what currency will the offer be made?

AUD - Australian Dollar

What is the offer price per +security for the retail offer?

AUD 0.04500

Oversubscription & Scale back details

Will individual +security holders be permitted to apply for more than their entitlement (i.e. to over-subscribe)?

Yes

Describe the limits on over-subscription

The Entitlement Offer will incorporate a shortfall facility under which Eligible Shareholders who have subscribed for their full entitlement can apply for an uncapped number of additional shares (in excess of their entitlement) out of any shortfall.

Will a scale back be applied if the offer is over-subscribed?

Yes

Describe the scale back arrangements

In the event that the Entitlement Offer shortfall is less than the number of shares applied for under the shortfall facility, scale back will apply to applicants under the shortfall facility at the discretion of the Directors and to the extent permitted by law.

Will these +securities rank equally in all respects from their issue date with the existing issued +securities in that class?

Yes

Attaching +Security

Is the proposed attaching security a 'New class' (+securities in a class that is not yet quoted or recorded by ASX) or an 'Existing class' (additional +securities in a class that is already quoted or recorded by ASX)?

New class

Attaching +Security - New class (+securities in a class that is not yet quoted or recorded by ASX)



Details of attaching +securities proposed to be issued

ISIN Code (if Issuer is a foreign company and +securities are non CDIs)

ISIN Code for the entitlement or right to participate in a non-renounceable issue (if Issuer is foreign company and +securities are non CDIs)

Have you received confirmation from ASX that the terms of the proposed +securities are appropriate and equitable under listing rule 6.1?

No

Will the entity be seeking quotation of the 'new' class of +securities on ASX?

No

ASX +security code

New class-code to be confirmed

+Security description

Unlisted option with an exercise price of \$0.07 and expiry date of 31 December 2025

+Security type

Options

Offer ratio (ratio of attaching securities at which the new +securities will be issued)

The quantity of attaching +securities to be issued

1

For a given quantity of the new +securities issued

2

What will be done with fractional entitlements?

Fractions rounded up to the next whole number

Maximum number of +securities proposed to be issued (subject to rounding)

36,193,420

Offer price details for retail security holders

In what currency will the offer be made?

AUD - Australian Dollar

What is the offer price per +security for the retail offer?

AUD 0.00000

Oversubscription & Scale back details

Will individual +security holders be permitted to apply for more than their entitlement (i.e. to over-subscribe)?

Yes

Describe the limits on over-subscription

The Entitlement Offer will incorporate a shortfall facility under which Eligible Shareholders who have subscribed for their full entitlement can apply for an uncapped number of additional shares (in excess of their entitlement) out of any shortfall.

Will a scale back be applied if the offer is

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over-subscribed?

Yes

Describe the scale back arrangements

In the event that the Entitlement Offer shortfall is less than the number of shares applied for under the shortfall facility, scale back will apply to applicants under the shortfall facility at the discretion of the Directors and to the extent permitted by law.

Will all the +securities issued in this class rank equally in all respects from their issue date?

Yes

Options details

+Security currency

AUD - Australian Dollar

Exercise price

AUD 0.0700

Expiry date

31/12/2025

Details of the type of +security that will be issued if the option is exercised

HPC : ORDINARY FULLY PAID

Number of securities that will be issued if the option is exercised

One fully paid ordinary share (ASX:HPC)

Please provide a URL link for a document lodged with ASX setting out the material terms of the +securities proposed to be issued or provide the information by separate announcement.

Refer to Prospectus to be lodged on 4 August 2023

Part 3C - Timetable

3C.1 +Record date

9/8/2023

3C.2 Ex date

8/8/2023

3C.4 Record date

9/8/2023

3C.5 Date on which offer documents will be sent to +security holders entitled to participate in the +pro rata issue

14/8/2023



3C.6 Offer closing date

4/9/2023

3C.7 Last day to extend the offer closing date

30/8/2023

3C.9 Trading in new +securities commences on a deferred settlement basis

5/9/2023

3C.11 +Issue date and last day for entity to announce results of +pro rata issue

11/9/2023

3C.12 Date trading starts on a normal T+2 basis

12/9/2023

3C.13 First settlement date of trades conducted on a +deferred settlement basis and on a normal T+2 basis

14/9/2023

Part 3E - Fees and expenses

3E.1 Will there be a lead manager or broker to the proposed offer?

Yes

3E.1a Who is the lead manager/broker?

BW Equities Pty Ltd

3E.1b What fee, commission or other consideration is payable to them for acting as lead manager/broker?

The total fee payable to BW Equities Pty Ltd is 6% of the total proceeds of the Placement and the Entitlement Offer

3E.2 Is the proposed offer to be underwritten?

Yes

3E.2a Who are the underwriter(s)?

BW Equities Pty Ltd

3E.2b What is the extent of the underwriting (ie the amount or proportion of the offer that is underwritten)?

Partial underwriting up to a maximum of \$2.5million worth of shares

3E.2c What fees, commissions or other consideration are payable to them for acting as underwriter(s)?

The total fee payable to BW Equities Pty Ltd is 6% of the total proceeds of the Placement and the Entitlement Offer

3E.2d Please provide a summary of the significant events that could lead to the underwriting being terminated

Please refer to the investor presentation released today

3E.2e Is a party referred to in listing rule 10.11 underwriting or sub-underwriting the proposed offer?

Yes



3E.2e (i) What is the name of that party?

George Livery (Chair and Non-Executive Director); Adem Karafili (Non-Executive Director); Margaret Hardin (Non-Executive Director)

3E.2e (ii) What is the extent of their underwriting or sub-underwriting (ie the amount or proportion of the offer they have underwritten or sub-underwritten)?

George Livery (\$25,000); Adem Karafili (\$45,000); Margaret Hardin (\$15,000)

3E.2e (iii) What fee, commission or other consideration is payable to them for acting as underwriter or sub-underwriter?

No fees

3E.3 Will brokers who lodge acceptances or renunciations on behalf of eligible +security holders be paid a handling fee or commission?

No

3E.4 Details of any other material fees or costs to be incurred by the entity in connection with the proposed offer

None

Part 3F - Further Information

3F.1 The purpose(s) for which the entity intends to use the cash raised by the proposed issue

The funds raised will be deployed towards marketing across the US, Canada and the United Kingdom to further increase sales, as well as for general working capital purposes and costs associated with the capital raising.

3F.2 Will holdings on different registers or subregisters be aggregated for the purposes of determining entitlements to the issue?

No

3F.3 Will the entity be changing its dividend/distribution policy if the proposed issue is successful?

No

3F.4 Countries in which the entity has +security holders who will not be eligible to participate in the proposed issue

Canada, Denmark, Hong Kong, Singapore, United States.

3F.5 Will the offer be made to eligible beneficiaries on whose behalf eligible nominees or custodians hold existing +securities

No

3F.6 URL on the entity's website where investors can download information about the proposed issue

<https://hydralyte.com/pages/investors>

3F.7 Any other information the entity wishes to provide about the proposed issue

Please refer to ASX announcement and investor presentation released today

3F.8 Will the offer of rights under the rights issue be made under a disclosure document or product disclosure statement under Chapter 6D or Part 7.9 of the Corporations Act (as applicable)?

Yes



3F.9 Any on-sale of the +securities proposed to be issued within 12 months of their date of issue will comply with the secondary sale provisions in sections 707(3) and 1012C(6) of the Corporations Act by virtue of:

The publication of a +disclosure document or +PDS for the +securities proposed to be issued

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Part 7 - Details of proposed placement or other issue

Part 7A - Conditions

7A.1 Do any external approvals need to be obtained or other conditions satisfied before the placement or other type of issue can proceed on an unconditional basis?

Yes

7A.1a Conditions

Approval/Condition	Date for determination	Is the date estimated or actual?	** Approval received/condition met?
+Security holder approval	13/9/2023	<input checked="" type="checkbox"/> Estimated	

Comments

The issue of options to Placement participants is conditional upon the Company receiving shareholder approval

Part 7B - Issue details

Is the proposed security a 'New class' (+securities in a class that is not yet quoted or recorded by ASX) or an 'Existing class' (additional securities in a class that is already quoted or recorded by ASX)?

Existing class

Will the proposed issue of this +security include an offer of attaching +securities?

Yes

Details of +securities proposed to be issued

ASX +security code and description

HPC : ORDINARY FULLY PAID

Number of +securities proposed to be issued

33,333,333

Offer price details

Are the +securities proposed to be issued being issued for a cash consideration?

Yes



In what currency is the cash consideration being paid?

AUD - Australian Dollar

What is the issue price per +security?

AUD 0.04500

Will these +securities rank equally in all respects from their issue date with the existing issued +securities in that class?

Yes

Attaching +Security

Is the proposed attaching security a 'New class' (+securities in a class that is not yet quoted or recorded by ASX) or an 'Existing class' (additional +securities in a class that is already quoted or recorded by ASX)?

New class

Attaching +Security - New class (+securities in a class that is not yet quoted or recorded by ASX)

Details of attaching +securities proposed to be issued

ISIN Code (if Issuer is a foreign company and +securities are non CDIs)

Have you received confirmation from ASX that the terms of the proposed +securities are appropriate and equitable under listing rule 6.1?

No

Will the entity be seeking quotation of the 'new' class of +securities on ASX?

No

ASX +security code

New class-code to be confirmed

+Security description

Unlisted option with an exercise price of \$0.07 and expiry date of 31 December 2025

+Security type

Options

Number of +securities proposed to be issued

16,666,667

Offer price details

Are the +securities proposed to be issued being issued for a cash consideration?

No

Please describe the consideration being provided for the +securities

It is proposed that free attaching options will be offered with the New Shares to be issued under the Placement

Please provide an estimate of the AUD equivalent of the consideration being provided for the +securities

0.000001



Will all the +securities issued in this class rank equally in all respects from their issue date?

Yes

Options details

+Security currency

AUD - Australian Dollar

Exercise price

AUD 0.0700

Expiry date

31/12/2025

Details of the type of +security that will be issued if the option is exercised

HPC : ORDINARY FULLY PAID

Number of securities that will be issued if the option is exercised

One fully paid ordinary share (ASX:HPC)

Please provide a URL link for a document lodged with ASX setting out the material terms of the +securities proposed to be issued or provide the information by separate announcement.

Refer to Prospectus to be lodged on 4 August 2023

Part 7C - Timetable

7C.1 Proposed +issue date

11/8/2023

Part 7D - Listing Rule requirements

7D.1 Has the entity obtained, or is it obtaining, +security holder approval for the entire issue under listing rule 7.1?

No

7D.1b Are any of the +securities proposed to be issued without +security holder approval using the entity's 15% placement capacity under listing rule 7.1?

Yes

7D.1b (i) How many +securities are proposed to be issued without security holder approval using the entity's 15% placement capacity under listing rule 7.1?

16,901,521 Shares

7D.1c Are any of the +securities proposed to be issued without +security holder approval using the entity's



additional 10% placement capacity under listing rule 7.1A (if applicable)?

Yes

7D.1c (i) How many +securities are proposed to be issued without +security holder approval using the entity's additional 10% placement capacity under listing rule 7.1A?

16,431,812 Shares

7D.2 Is a party referred to in listing rule 10.11 participating in the proposed issue?

No

7D.3 Will any of the +securities to be issued be +restricted securities for the purposes of the listing rules?

No

7D.4 Will any of the +securities to be issued be subject to +voluntary escrow?

No

Part 7E - Fees and expenses

7E.1 Will there be a lead manager or broker to the proposed issue?

Yes

7E.1a Who is the lead manager/broker?

BW Equities Pty Ltd

7E.1b What fee, commission or other consideration is payable to them for acting as lead manager/broker?

The total fee payable to BW Equities Pty Ltd is 6% of the total proceeds of the Placement and the Entitlement Offer

7E.2 Is the proposed issue to be underwritten?

No

7E.4 Details of any other material fees or costs to be incurred by the entity in connection with the proposed issue

None

Part 7F - Further Information

7F.01 The purpose(s) for which the entity is issuing the securities

The funds raised will be deployed towards marketing across the US, Canada and the United Kingdom to further increase sales, as well as for general working capital purposes and costs associated with the capital raising.

7F.1 Will the entity be changing its dividend/distribution policy if the proposed issue proceeds?

No

7F.2 Any other information the entity wishes to provide about the proposed issue

Refer to ASX announcement and investor presentation released today



7F.3 Any on-sale of the +securities proposed to be issued within 12 months of their date of issue will comply with the secondary sale provisions in sections 707(3) and 1012C(6) of the Corporations Act by virtue of:

The publication of a cleansing notice under section 708A(5), 708AA(2)(f), 1012DA(5) or 1012DAA(2)(f)

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