



Announcement to ASX
ASX Code: HTG

28 February 2025

CONVERTIBLE NOTE RAISING OF \$1.5 MILLION

Harvest Technology Group Limited (ASX:HTG) (**Company, Harvest, Group**) advises confirmation of binding commitments for \$1.5 million from a sophisticated investor of Alto Capital. The sophisticated investor, has participated in past funding rounds, bringing their total funding to \$4.7million.

The \$1.5 million of new funding will be via Unsecured Convertible Notes, which are subordinated to the secured convertible notes currently on issue on the following terms:

- 1,500 Unsecured Convertible Notes with a face value of \$1,000 each
- \$1.5 million in total raised
- 2-year term
- 15% annual interest (9% per annum, paid in quarterly cash instalments, and 6% per annum capitalised with payment at maturity)
- Redemption or conversion at Noteholder's election at maturity, with conversion permitted at any time at a fixed conversion price of 2.2c.
- The issue of 2-year conversion Options based on one (1) new option issued for every two (2) new shares if Unsecured Convertibles Notes are converted within 12 months of the issue date. Each Option will have an exercise price of three (3) cents and a time to expiry of two (2) years from the date the options are issued (terms of the options are outlined in Appendix A)
- The Company must obtain all shareholder approvals under LR7.1 and any other regulatory approvals necessary to enable the conversion of the Convertible Notes into ordinary shares, and the issue of the Options. If the Company is unable to receive all approvals for the Note conversion, it will then be redeemed in cash.

The \$1.5 million is expected to be received by the middle of next week.

Harvest Technology Group's CEO, Ilario Faenza, stated: "We are very pleased with the ongoing support provided by Alto Capital, including the securing of an additional \$1.5 million in funding to support our 3-year pathway to profit plan."

The Company advises that it has reached agreement with the two holders of the secured convertible notes originally dated 18 October 2019, to amend the maturity date to 1 October 2026. These secured convertible notes currently have a face value of \$ 2,044,877 each and will have an interest rate of 15%, of which 9% annual interest will be paid on a quarterly basis and the remaining 6% annual interest will be capitalised. All other terms and conditions of these secured convertible notes remain unchanged.

- End -

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/>

If you would like to receive the HTG Insights Newsletter for future updates, please visit our website and subscribe at the bottom of the page.

Forward Looking Statements

Statements contained in this release, particularly those regarding possible or assumed future performance, revenue, costs, dividends, production levels or rates, prices, or potential growth of Harvest Technology Group Limited, are, or may be, forward looking statements. Such statements relate to future events and expectations and, as such, involve known and unknown risks and uncertainties. Actual results and developments may differ materially from those expressed or implied by these forward-looking statements depending on a variety of factors.



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Appendix A - Terms and conditions of Options

The terms and conditions of the Options are as follows:

1. **Entitlement**

Each Option entitles the holder to subscribe for one Option Share upon exercise of the Option.

2. **Exercise Price**

The amount payable upon the exercise of each Option will be \$0.03 (**Exercise Price**).

3. **Exercise Period**

Each Option is exercisable at any time after their issue and before 5.00pm (Perth time) on the second anniversary of their date of issue (**Exercise Period**), following such time the relevant Option will automatically lapse and may no longer be exercisable.

4. **Notice of Exercise**

Subject to paragraph 5 below, the Options may be exercised during the Exercise Period by:

- (a) notice in writing to the Company in such form as prescribed by the Company (**Notice of Exercise**);
- (b) delivery to the Company of all original option certificates issued in respect of each Option being exercised; and
- (c) payment to the Company of the Exercise Price for each Option being exercised, in Immediately Available Funds or any other means of payment acceptable to the Company.

5. **Restrictions on Exercise**

A holder may not exercise less than 50,000 Options at any one time unless the holder has less than 50,000 Options in which event the holder must exercise all of its Options together.

6. **Exercise Date**

A Notice of Exercise is only effective on and from the later of:

- (a) the date of receipt by the Company of the Notice of Exercise and relevant original option certificates; and
- (b) the date of receipt by the Company of payment of the Exercise Price for each Option the subject of the Notice of Exercise, in full and in cleared funds,

(**Exercise Date**).



7. Timing of issue of Option Shares on exercise

Within 10 Business Days of the Exercise Date:

- (a) the Company must procure that a resolution of the Board is passed to approve the matters in paragraph 70; and

the Company must:

- (i) issue the number of Option Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which payment of the Exercise Price has been received in cleared funds by the Company to the Noteholder as fully-paid and free from Security Interests;
- (ii) provide to the Optionholder reasonable evidence of the due allotment and issue of the Option Shares in the form of a holding statement;
- (iii) apply to ASX for official quotation of the Option Shares; and
- (iv) notify the Australian Securities and Investments Commission of the issue of the Option Shares to the Optionholder in the prescribed form.

8. Option Shares issued on exercise

Option Shares issued on exercise of the Options will, upon issue, be fully paid, will rank equally with all other Shares then on issue and will otherwise be subject to the provisions of the Constitution.

9. Reorganisation of Capital

If the issued capital of the Company is reconstructed, the rights of a holder of an Option under these terms and conditions must be changed as follows:

- (a) in a consolidation of the Shares, the Option must be consolidated in the same ratio as the Shares and the Exercise Price must be amended in inverse proportion to that ratio;
- (b) in a subdivision of the Shares, the Option must be sub-divided in the same ratio as the Shares and the Exercise Price must be amended in inverse proportion to that ratio;
- (c) in a return of capital to holders of Shares, the Option must remain the same, and the Exercise Price of the Option must be reduced by the same amount as the amount returned in relation to each Share;
- (d) in a reduction of capital by cancellation of capital paid up on Shares that is lost or not represented by available assets (where no Shares are cancelled), the Option and the Exercise Price of the Option must remain unaltered;
- (e) in a pro rata cancellation of Shares, the Option must be reduced in the same ratio as the Shares and Exercise Price of the Option must be amended in inverse proportion to that ratio;



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- (f) if there is a bonus issue of Shares, the number of Shares over which the Option is exercisable increases by the number of Shares which the holder would have received if the Option had been exercised before the record date for the bonus issue; and
- (g) in any other case where the Shares are reorganised, the Option or the Exercise Price, or both, must be reorganised so that the holder will not receive a benefit that holders of Shares do not receive.

In all other respects, the terms of exercise of the Options will remain unchanged.

10. **Participation in New Issues**

There are no participation rights or entitlements inherent in the Options and a holder will not be entitled to participate in new issues of capital offered to the shareholders of the Company during the currency of the Options without first exercising the Options prior to the record date for the new issue.

11. **No other change**

An Option does not confer the right to a change in Exercise Price or a change in the number of underlying Option Shares over which the Option can be exercised.

12. **Transferability**

The Options are not transferrable without the prior written consent of the Company. Any Option Shares issued upon the exercise of the Options will be generally transferable, subject to any restriction under the Constitution, the Corporations Act or ASX Listing Rules.

13. **Options not quoted**

The Options will not be listed for quotation on the ASX or any other public securities market or stock exchange, and the Company has no obligation to apply for the Options to be listed for quotation.