Announcement Summary

Entity name

HGL LIMITED

Announcement Type

New announcement

Date of this announcement

Wednesday October 21, 2020

The Proposed issue is:
- ☑ An accelerated offer
- ☑ A placement or other type of issue

Total number of +securities proposed to be issued for an accelerated offer

ASX +security code	+Security description	Maximum Number of +securities to be issued
HNG	ORDINARY FULLY PAID	21,741,492

Trading resumes on an ex-entitlement basis (ex date)

Tuesday October 27, 2020

+Record date

Tuesday October 27, 2020

Offer closing date for retail +security holders

Tuesday November 17, 2020

Issue date for retail +security holders

Tuesday November 24, 2020

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
HNG	ORDINARY FULLY PAID	11,343,387

Proposed +issue date

Monday October 26, 2020

Refer to next page for full details of the announcement

Part 1 - Entity and announcement details

1.1 Name of +Entity

HGL 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.

1.2 Registered Number Type	**Registration Number**
ABN	25009657961

1.3 ASX issuer code

HNG

1.4 The announcement is

☑ New announcement

1.5 Date of this announcement

Wednesday October 21, 2020

1.6 The Proposed issue is:

☑ An accelerated offer
☑ A placement or other type of issue

1.6b The proposed accelerated offer is

Accelerated non-renounceable entitlement offer (commonly known as a JUMBO or ANREO)

Part 3 - Details of proposed entitlement offer issue

Part 3A - Conditions

3A.1 - Are any of the following approvals required for the entitlement offer to be unconditional?
- **+Security holder approval**
- **Court approval**
- **Lodgement of court order with +ASIC**
- **ACCC approval**
- **FIRB approval**
- **Another approval/condition external to the entity**

☑ 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

HNG : 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?
☑ No

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

HNG : 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 the offer (if Issuer is foreign company and +securities are non CDIs)

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

Has the offer ratio been determined?
☑ Yes

The quantity of additional +securities to be issued	For a given quantity of +securities held
1	4

What will be done with fractional entitlements?	Maximum number of +securities proposed to be issued (subject to rounding)
Fractions rounded up to the next whole number	21,741,492

Offer price details for retail security holders

Has the offer price for the retail offer been determined?
Yes

In what currency will the offer be made?	What is the offer price per +security for the retail offer?
AUD - Australian Dollar	AUD 0.12500

Offer price details for institutional security holders

Has the offer price for the institutional offer been determined?
Yes

In what currency will the offer be made?	What is the offer price per +security for the institutional offer?
AUD - Australian Dollar	AUD 0.12500

Oversubscription & Scale back details

Will individual +security holders be permitted to apply for more than their entitlement (i.e. to over-subscribe)?
No

Will a scale back be applied if the offer is over-subscribed?
No

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

Part 3D - Timetable

3D.1a First day of trading halt

Wednesday October 21, 2020

3D.1b Announcement date of accelerated offer

Wednesday October 21, 2020

3D.2 Trading resumes on an ex-entitlement basis (ex date)

Tuesday October 27, 2020

3D.5 Date offer will be made to eligible institutional +security holders

Wednesday October 21, 2020

3D.6 Application closing date for institutional +security holders

Monday October 26, 2020

3D.8 Announcement of results of institutional offer
(The announcement should be made before the resumption of trading following the trading halt)

Tuesday October 27, 2020

3D.9 +Record date

Tuesday October 27, 2020

3D.10a Settlement date of new +securities issued under institutional entitlement offer

Wednesday October 28, 2020

3D.10b +Issue date for institutional +security holders

Wednesday October 28, 2020

3D.10c Normal trading of new +securities issued under institutional entitlement offer

Thursday October 29, 2020

3D.11 Date on which offer documents will be sent to retail +security holders entitled to participate in the +pro rata issue

Friday October 30, 2020

3D.12 Offer closing date for retail +security holders

Tuesday November 17, 2020

3D.13 Last day to extend retail offer close date

Thursday November 12, 2020

3D.16 Entity announces results of retail offer, including the number and percentage of +securities taken up by existing retail +security holders.

Friday November 20, 2020

3D.19 +Issue date for retail +security holders

Tuesday November 24, 2020

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?

Wentworth Securities Pty Ltd ("Wentworth")

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

1.0% of any entitlement offer shortfall amount placed by them

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

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

Sery Pty Ltd ("Sery")
Supervised Investments Australia Ltd & Ms I. Constable (together "Constables")
Mr S. Beard

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

Sery is underwriting in full the subscription for the pro rata entitlement of all parties listed on the Sery Substantial Shareholder notice lodged with ASX on 15 May 2020.
The Constables are underwriting in full the subscription for the pro rata entitlement of all parties listed on the Constable Substantial Shareholder notice lodged with ASX on 18 May 2020.
Mr Beard is underwriting the rights offer and placement to a combined value of $1,500,000.

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

Nil

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

None

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?

Sery Pty Ltd
Supervised Investments Australia Ltd
Ms I. Constable

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)?

Sery is underwriting in full the subscription for the pro rata entitlement of all parties listed on the Sery Substantial Shareholder notice lodged with ASX on 15 May 2020.
The Constables are underwriting in full the subscription for the pro rata entitlement of all parties listed on the Constable Substantial Shareholder notice lodged with ASX on 18 May 2020.

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

Nil

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

Nil

Part 3F - Further Information

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

Strengthen the balance sheet and assist future growth

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

France, Hong Kong, Indonesia, Israel, Mauritius, Singapore, USA

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

3F.5a Please provide further details of the offer to eligible beneficiaries

Information for Nominees and Custodians is contained in the offer booklet. The Share Registry will communicate with Nominees and Custodians in due course

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

https://HGLEntitlementOffer.thereachagency.com

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

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)?
No

Part 7 - Details of proposed placement or other issue

Part 7A - Conditions

7A.1 - Are any of the following approvals required for the placement or other type of issue?
- **+Security holder approval**
- **Court approval**
- **Lodgement of court order with +ASIC**
- **ACCC approval**
- **FIRB approval**
- **Another approval/condition external to the entity**

No

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?
No

Details of +securities proposed to be issued

ASX +security code and description

HNG : ORDINARY FULLY PAID

Number of +securities proposed to be issued

11,343,387

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 0.12500

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

Part 7C - Timetable

7C.1 Proposed +issue date

Monday October 26, 2020

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?

11,343,387

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)?
No

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?

Wentworth Securities Pty Ltd ("Wentworth")

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

2.5% of the amount raised under the placement

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

7E.2a Who are the underwriter(s)?

Mr S. Beard

7E.2b What is the extent of the underwriting (ie the amount or proportion of the proposed issue that is underwritten)?

100%

7E.2c What fee, commission or other consideration is payable to them for acting as underwriter(s)?

Nil

7E.2d Please provide a summary of the significant events that could lead to the underwriting being terminated.

Nil

7E.3 Is a party referred to in listing rule 10.11 underwriting or sub-underwriting the proposed issue?
☑ No

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

Nil

Part 7F - Further Information

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

Strengthen the Company's balance sheet and assist future growth

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

Placement shares will be entitled to participate in the ANREO announced as part of this announcement