



**Harvest Technology Group Limited**

**ACN 149 970 445**

## **Options Prospectus**

This Prospectus is being issued for a total of 38,520,166 quoted Options exercisable at \$0.25 each and expiring 24 months from the date of issue.

The Offer under this Prospectus closes at 5.00pm on 6 April 2022 (WST)\*

**THIS IS AN IMPORTANT DOCUMENT AND REQUIRES YOUR IMMEDIATE ATTENTION. IT SHOULD BE READ IN ITS ENTIRETY.**

**IF YOU ARE IN DOUBT ABOUT WHAT TO DO, YOU SHOULD CONSULT YOUR SUITABLY QUALIFIED PROFESSIONAL ADVISER WITHOUT DELAY.**

**The Options offered under this Prospectus are of a speculative nature.**

\*The Company reserves the right, subject to the Corporations Act and Listing Rules to extend the Closing Date for the Offer.

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## Important Information

This Prospectus is dated 30 March 2022 and was lodged with the ASIC on that date with the consent of all Directors. Neither ASIC nor ASX nor their respective officers take any responsibility for the contents of this Prospectus.

No Placement Options will be issued on the basis of this Prospectus any later than 13 months after the date of this Prospectus (being the expiry date of this Prospectus).

The Prospectus will be made available in electronic form. Persons having received a copy of this Prospectus in its electronic form may obtain an additional paper copy of this Prospectus (free of charge) from the Company's registered office by contacting the Company as detailed in the Corporate Directory.

The Company will also provide copies of other documents on request (see Section 5.3).

The Placement Options offered by this Prospectus should be considered speculative. Please refer to Section 4 for details relating to investment risks.

Applications for Placement Options will only be accepted on an Application Form attached to or provided by the Company with a copy of this Prospectus either in paper or electronic form. The Corporations Act prohibits any person from passing on to another person an Application Form unless it is accompanied by a complete and unaltered copy of this Prospectus.

Revenues and expenditures disclosed in this Prospectus are recognised exclusive of the amount of goods and services tax, unless otherwise disclosed. No person is authorised to give any information or to make any representation in connection with the Offer which is not contained in this Prospectus. Any information or representation not so contained may not be relied on as having been authorised by the Company in connection with the Offer.

The Offer constituted by this Prospectus in electronic form is only available to persons receiving an electronic version of this Prospectus and accompanying Application Form within Australia and New Zealand.

No action has been taken to permit the offer of Placement Options under this Prospectus in any jurisdiction other than Australia.

The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law and therefore persons into whose possession this document comes should seek advice on and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of those laws. This Prospectus does not constitute an offer of Placement Options in any jurisdiction where, or to any person to whom, it would be unlawful to issue this Prospectus.

This document is important and should be read in its entirety before deciding to participate in the Offer. This does not take into account the investment objectives, financial or taxation, or particular needs of any particular Applicant. Before making any investment in the Company, each Applicant should consider whether such an investment is appropriate to their particular needs, and considering their individual risk profile for speculative investments, investment objectives and individual financial circumstances. Each Applicant should consult their stockbroker, solicitor, accountant or other professional adviser without delay.

Definitions of certain terms used in this Prospectus are contained in Section 7. All references to currency are to Australian dollars and all references to time are to the time in Perth, Western Australia unless otherwise indicated.

## Corporate Directory

### Directors

|                   |                                  |
|-------------------|----------------------------------|
| Paul Guilfoyle    | Executive Director and Group CEO |
| Jeffery Sengelman | Non-Executive Chair              |
| Rodney Evans      | Non-Executive Director           |
| Marcus Machin     | Non-Executive Director           |
| Stuart Carmichael | Non-Executive Director           |

### Company Secretary

Jack Rosagro

### Registered and Principal Office

Ground Floor,  
16 Ord Street  
West Perth WA 6005

Phone: +61 8 6370 6370

Email: [investor@harvest-tech.com.au](mailto:investor@harvest-tech.com.au)

Website: [www.harvest.technology/](http://www.harvest.technology/)

### Share Registry

Computershare Investor Services Pty Limited  
Level 11, 172 St Georges Terrace  
Perth WA 6000

Phone:

1300 850 505 (within Australia)

+61 3 9415 4000 (outside Australia)

### Auditor\*

HLB Mann Judd (WA Partnership)  
Level 4, 130 Stirling Street  
Perth WA 6000

### Lead Manager

ACNS Capital Markets Pty Ltd trading as Alto  
Capital (AFSL: 279099)

Ground Level, 16 Ord Street

West Perth WA 6005

### Solicitors

Hamilton Locke  
Central Park Building  
Level 27, 152 - 158 St Georges Terrace  
Perth WA 6000

**ASX Code:** HTG

\* These entities are included for information purposes only. They have not been involved in the preparation of this Prospectus.

## Indicative Timetable

| Event  | Date          |
|--|---------------|
| Lodgement of Prospectus with ASIC  | 30 March 2022 |
| Opening Date of Offer  | 31 March 2022 |
| Closing Date of Offer*   | 6 April 2022  |
| Appendix 2A  | 7 April 2022  |
| Issue of Placement Options offered under this Prospectus   | 7 April 2022  |
| Commencement of trading on a normal settlement basis of the Placement Options issued under this Prospectus | 8 April 2022  |

### Note

- \* The dates and times noted above are indicative only and subject to change. Any material changes will be notified by the Company to ASX. The Company reserves the right to amend any or all of these dates and times, including amending the Closing Date of the Offer, without prior notice subject to the Corporations Act, the Listing Rules and other applicable laws.

## Investment Overview

This Section is intended to highlight key information for potential investors. It is an overview only, and is not intended to replace the Prospectus. Potential investors should read the Prospectus in full before deciding to invest in Placement Options.

| Key Information  | Further Information         |
|--|-----------------------------|
| <p><b>Transaction specific prospectus</b></p> <p>This Prospectus is a transaction specific prospectus for an offer of options to acquire continuously quoted securities (as defined in the Corporations Act) and has been prepared in accordance with Section 713 of the Corporations Act. It does not contain the same level of disclosure as an initial public offering prospectus. In making representations in this Prospectus regard has been had to the fact that the Company is a disclosing entity for the purposes of the Corporations Act and certain matters may reasonably be expected to be known to investors and professional advisers whom potential investors may consult.</p>  |                             |
| <p><b>Offer</b></p> <p>This Prospectus is for an offer of 38,520,166 quoted Options to subscribers under the Placement, on the basis of 1 free attaching Placement Option for every for every Share subscribed for under the Placement.</p> <p>The Placement Options will have an exercise price of \$0.25 each and will expire two years from the date of issue.</p> <p>The Placement Options will be issued without Shareholder approval using the Company's available 15% placement capacity under ASX Listing Rule 7.1.</p> <p>The issue of Placement Shares raised \$5.78 million (before costs). No additional funds will be raised through the issue of Placement Options under the Offer.</p> <p>An additional \$1 million will be raised through the proposed participation of Participating Directors under the Placement subject to the approval of Shareholders.</p> | <p>Sections 1.1 and 1.2</p> |
| <p><b>Eligibility</b></p> <p>The Offer is limited to participants of the Placement.</p>  | <p>Section 1.2</p>          |
| <p><b>What is the purpose of the Offer?</b></p> <p>The primary purpose of the Offer is to remove the need for an additional disclosure document to be issued upon the sale of any Shares that are issued upon conversion of any Placement Options that are issued under the Offer and to facilitate the quotation of the Placement Options.</p>  | <p>Section 1.2</p>          |
| <p><b>Risk factors</b></p> <p>Potential investors should be aware that subscribing for Placement Options in the Company involves a number of risks. The key risk factors of which investors should be aware are set out in Section 4, including (but not limited to) risks in respect of:</p> <ul style="list-style-type: none"> <li>• <b>Growth Strategies</b></li> </ul> <p>HTG has a number of strategies in place to generate future growth and earnings. There is a risk that the implementation of growth strategies will be subject to delays or cost overruns and there is no guarantee that these strategies will generate the customer demand, full financial benefits anticipated or result in future sales and earnings growth and may not deliver a return on investment. Furthermore, the implementation of growth strategies may lead to changes to HTG's</p>     | <p>Section 4</p>            |

| Key Information  | Further Information |
|--|---------------------|
| <p>business or the customer experience which may result in unintended adverse consequences.</p> <ul style="list-style-type: none"> <li> <p>• <b>Stage of development</b></p> <p>There is a risk that HTG (being at an early stage of development) may not be able to manage accelerated growth, which could impact the financial results and growth funding of HTG, as well as the share price of the Company. The Company does not currently generate positive cash-flow and requires funding to deliver on its strategy.</p> </li> <li> <p>• <b>Future profitability</b></p> <p>The Company's limited financial history creates uncertainty in relation to the business and its prospects. There can be no certainty that HTG will achieve or sustain profitability or achieve or sustain positive cash flow from its operating activities. The Group's profitability may be impacted by many factors and the extent of future profits (if any) and the time required to achieve sustained profitability are uncertain and cannot be reliably predicted.</p> </li> <li> <p>• <b>Supplier and customer relationships</b></p> <p>The Group relies on key business relationships to deliver its services. There are multiple suppliers for the Company to contract with. A failure to maintain supplier relationships generally could result in a loss of support, which could adversely impact the business operations and the financial results. In particular, the Company has four significant supplier contracts. A loss of these arrangements would therefore have a materially adverse impact on the operability and profitability of the Company in its delivery and support of hardware products.</p> </li> <li> <p>• <b>Data Loss, Theft or Corruption</b></p> <p>The Company stores data in its own systems and networks. Exploitation or hacking of any of these systems or networks could lead to corruption, theft or loss of the data which could have a material adverse effect on the Company's business, financial condition and results. Further, if the Company's systems, networks or technology are subject to any type of 'cyber' crime, its technology may be perceived as unsecure which may lead to a decrease in the number of customers.</p> </li> <li> <p>• <b>Intellectual Property Rights</b></p> <p>A substantial part of the Company's commercial success will depend on its ability to establish and protect HTG's intellectual property to maintain trade secret protection and operate without infringing the proprietary rights of third parties. The commercial value of these intellectual property assets is dependent on any relevant legal protections. These legal mechanisms, however, do not guarantee that the intellectual property will be protected or that the Company's competitive position will be maintained.</p> <p>No assurance can be given that employees or third parties will not breach confidentiality agreements, infringe or misappropriate the Company's intellectual property or commercially sensitive information, or that competitors will not be able to produce non-infringing competitive products. Competition in retaining and sustaining protection of technologies and the complex nature of technologies can lead to expensive and lengthy disputes for which there can be no guaranteed outcome. There can be no assurance that any intellectual property which the Company (or entities it deals</p> </li> </ul> |                     |

| Key Information   | Further Information |                   |                   |                    |                    |                   |          |             |   |           |            |           |   |   |            |   |   |   |              |                    |                   |                  |                   |                  |              |
|---|---------------------|-------------------|-------------------|--------------------|--------------------|-------------------|----------|-------------|---|-----------|------------|-----------|---|---|------------|---|---|---|--------------|--------------------|-------------------|------------------|-------------------|------------------|--------------|
| <p>with) may have an interest in now or in the future will afford the Company commercially significant protection of technologies, or that any of the projects that may arise from technologies will have commercial applications.</p> <p>It is possible that third parties may assert intellectual property infringement, unfair competition or like claims against HTG or the Company under copyright, trade secret, patent, or other laws. While the Company is not aware of any claims of this nature in relation to any of the intellectual property rights in which it has or will acquire an interest, such claims, if made, may harm, directly or indirectly, the Company's business. If the Company is forced to defend claims of intellectual property infringement, whether they are with or without merit or are determined in the Company's favour, the costs of such litigation will be potentially significant and may divert management's attention from normal commercial operations. Additionally, securing rights to (or developing) technologies complementing HTG's existing intellectual property will also play an important part in the commercial success of the Company. There is no guarantee that such rights can be secured, or such technologies can be developed.</p> <ul style="list-style-type: none"> <li> <b>Disputes</b><br/>           The activities of the Company may result in disputes with third parties, including, without limitation, the Company's investors, competitors, regulators, partners, distributors, customers, directors, officers and employees, and service providers. The Company may incur substantial costs in connection with such disputes.<br/><br/>           HTG was required to provide a bank guarantee, in the form of a cash deposit of 292,000 Euro to Vroon Offshore Services B.V. in respect of the lease of the VOS Shine. The cash deposit was due to be refunded on 1 January 2022. HTG is yet to receive the bank guarantee. The position on the settlement of final contractual obligations is subject to negotiation, the contract having a framework for the resolution of disputes which ultimately includes an arbitration process. HTG will continue to avail itself of all available options to recover the funds and remains confident of full recovery.         </li> </ul> |                     |                   |                   |                    |                    |                   |          |             |   |           |            |           |   |   |            |   |   |   |              |                    |                   |                  |                   |                  |              |
| <p><b>Use of funds</b><br/>No funds will be raised as a result of the Offer.</p>  | Section 3.2         |                   |                   |                    |                    |                   |          |             |   |           |            |           |   |   |            |   |   |   |              |                    |                   |                  |                   |                  |              |
| <p><b>Effect on control of the Company</b><br/>It is not expected that the Offer will have any effect on the control of the Company.</p>  | Section 3.6         |                   |                   |                    |                    |                   |          |             |   |           |            |           |   |   |            |   |   |   |              |                    |                   |                  |                   |                  |              |
| <p><b>Indicative capital structure</b><br/>The indicative capital structure upon completion of the Offer is set out below:</p> <table border="1" data-bbox="209 1682 1134 1995"> <thead> <tr> <th></th> <th>Shares</th> <th>Placement Options</th> <th>Unquoted Options</th> <th>Performance Rights</th> <th>Convertible Notes</th> </tr> </thead> <tbody> <tr> <td>Existing</td> <td>588,926,543</td> <td>-</td> <td>5,760,000</td> <td>56,000,000</td> <td>4,000,000</td> </tr> <tr> <td>Maximum Securities to be issued under the Offer</td> <td>-</td> <td>38,520,166</td> <td>-</td> <td>-</td> <td>-</td> </tr> <tr> <td><b>Total</b></td> <td><b>588,926,543</b></td> <td><b>38,520,166</b></td> <td><b>5,760,000</b></td> <td><b>56,000,000</b></td> <td><b>4,000,000</b></td> </tr> </tbody> </table>  |                     | Shares            | Placement Options | Unquoted Options   | Performance Rights | Convertible Notes | Existing | 588,926,543 | - | 5,760,000 | 56,000,000 | 4,000,000 | Maximum Securities to be issued under the Offer | - | 38,520,166 | - | - | - | <b>Total</b> | <b>588,926,543</b> | <b>38,520,166</b> | <b>5,760,000</b> | <b>56,000,000</b> | <b>4,000,000</b> | Sections 3.1 |
|   | Shares              | Placement Options | Unquoted Options  | Performance Rights | Convertible Notes  |                   |          |             |   |           |            |           |   |   |            |   |   |   |              |                    |                   |                  |                   |                  |              |
| Existing  | 588,926,543         | -                 | 5,760,000         | 56,000,000         | 4,000,000          |                   |          |             |   |           |            |           |   |   |            |   |   |   |              |                    |                   |                  |                   |                  |              |
| Maximum Securities to be issued under the Offer   | -                   | 38,520,166        | -                 | -                  | -                  |                   |          |             |   |           |            |           |   |   |            |   |   |   |              |                    |                   |                  |                   |                  |              |
| <b>Total</b>  | <b>588,926,543</b>  | <b>38,520,166</b> | <b>5,760,000</b>  | <b>56,000,000</b>  | <b>4,000,000</b>   |                   |          |             |   |           |            |           |   |   |            |   |   |   |              |                    |                   |                  |                   |                  |              |



| Key Information  | Further Information |
|--|---------------------|
| <p><b>Directors' participation</b></p> <p>Mr Paul Guilfoyle and Mr Marcus Machin (or their respective nominees) have each agreed to subscribe for \$500,000 in Shares under the Placement resulting in a total issue of up to 6,666,666 Shares and 6,666,666 free attaching quoted Options.</p> <p>The proposed issue of Director Securities pursuant to the Director Participation is not part of the Offer under this Prospectus and is subject to Shareholder approval at an extraordinary general meeting expected to be held at a later date.</p>   | <p>Sections 1.1</p> |
| <p><b>Forward looking statements</b></p> <p>This Prospectus contains forward-looking statements which are identified by words such as 'may', 'could', 'believes', 'estimates', 'targets', 'expects', or 'intends' and other similar words that involve risks and uncertainties.</p> <p>These statements are based on an assessment of present economic and operating conditions, and on a number of assumptions regarding future events and actions that, as at the date of this Prospectus, are considered reasonable.</p> <p>Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of the Company, the Directors and the management.</p> <p>The Directors cannot and do not give any assurance that the results, performance or achievements expressed or implied by the forward-looking statements contained in this Prospectus will actually occur and investors are cautioned not to place undue reliance on these forward-looking statements.</p> <p>The Directors have no intention to update or revise forward-looking statements, or to publish prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained in this Prospectus, except where required by law.</p> <p>These forward looking statements are subject to various risk factors that could cause the Company's actual results to differ materially from the results expressed or anticipated in these statements. These risk factors are set out in Section 4.</p> | <p>Section 4</p>    |

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## 1. Details of the Offer

### 1.1 Background to the Offer

On 28 February 2022, the Company announced a capital raising of approximately \$6.78 million (before costs) (**Placement**). The capital raising is comprised of the following two tranches:

- (a) the issue of 38,520,166 Shares at an issue price of \$0.15 per Share (**Placement Shares**), with one free-attaching quoted Option for each Share subscribed for under the Placement (**Placement Options**); and
- (b) the issue of 6,666,666 Shares to certain Directors (or their nominees) at an issue price of \$0.15 per Share (**Director Placement Shares**), with one free-attaching Option for every Director Placement Share subscribed for under the Placement (**Director Placement Options**) (collectively, the **Director Securities**).

The Placement Shares were issued on 3 March 2022 using the Company's available 10% placement capacity under ASX Listing Rule 7.1A. The Placement Shares issued under the Placement were offered to sophisticated and professional investors without disclosure under the Corporations Act.

The Placement Options will be issued without Shareholder approval using the Company's available 15% placement capacity under the ASX Listing Rule 7.1.

The Company expects the issue of the Placement Options to occur on or around 7 April 2022.

The proposed issue of Director Securities to Mr Paul Guilfoyle and Mr Marcus Machin (or their respective nominees) (**Participating Directors**) is subject to Shareholder approval at an extraordinary general meeting expected to be held at a later date and is not part of the Offer under this Prospectus.

### 1.2 The Offer

The Company is offering pursuant to this Prospectus, up to a total of 38,520,166 Placement Options exercisable at \$0.25 per Option and expiring 24 months from the date of issue.

Only parties to whom were issued Placement Shares may apply for Placement Options under the Offer. No funds are payable under the Offer.

An Application Form in relation to the Offer will be issued to the person eligible to receive Placement Options under the Offer (or their nominee(s)) together with a copy of this Prospectus in electronic form.

Applications for Placement Options under the Offer must be made on the Application Form accompanying this Prospectus and received by the Company on or before the relevant Closing Date.

The primary purpose of the Offer is to remove the need for an additional disclosure document to be issued upon the sale of any Shares that are issued upon conversion of any Placement Options that are issued under the Offer and to facilitate the quotation of the Placement Options.

The Offer is being made such that the relief provided under ASIC Corporations (Sale Offers That Do Not Need Disclosure) Instrument 2016/80 with respect to the on-sale provisions of section 707 of the Corporations Act is available.

Specifically, if the Placement Options are issued with disclosure under this Prospectus, then the Shares issued upon the exercise of any of the Placement Options can be on-sold within 12 months of their issue, without a disclosure document for the on-sale offer.

No funds will be raised as a result of the Offer as the Placement Options are offered on a free-attaching basis to the Shares issued under the Placement.

The Company will apply for quotation of the Placement Options (see Section 1.7).

### **1.3 Opening and Closing Dates**

The Company will accept Application Forms from 30 March 2022 (**Opening Date**) until 5.00pm (WST) on 6 April 2022 or such other date as the Directors in their absolute discretion shall determine, subject to the requirements of the Listing Rules (**Closing Date**).

### **1.4 Minimum subscription**

There is no minimum subscription for the Offer.

### **1.5 Withdrawal of Offer**

The Company reserves the right not to proceed with the Offer at any time before the issue of Placement Options.

### **1.6 Issue date**

The Placement Options will be issued only after ASX has granted permission for the Placement Options to be quoted. It is expected that Placement Options will be issued on 7 April 2022 and trading of the Placement Options on the ASX is expected to commence on 8 April 2022.

It is the responsibility of Applicants to determine their allocation prior to trading in the Placement Options. Applicants who sell Placement Options before they receive their holding statements do so at their own risk.

### **1.7 ASX quotation**

An initial application has been made to the ASX for Official Quotation of the Placement Options by the way of an Appendix 3B announced on the ASX market announcements platform on 28 February 2022. The Company intends to submit an Appendix 2A for Official Quotation of the Placement Options on or around 7 April 2022.

The Placement Options offered under this Prospectus will only be admitted to quotation by ASX if the conditions for quotation of a new class of securities are satisfied, which include (amongst other things):

- (a) there being a minimum of 100,000 of the Placement Options on issue; and
- (b) there are at least 50 holders with a marketable parcel (within the meaning of the Listing Rules).

If the Placement Options to be issued under this Prospectus are not admitted to quotation within a period of three months from the date of this Prospectus, any Placement Options issued will be void in accordance with section 723 of the Corporations Act.

The fact that ASX may grant Official Quotation is not to be taken in any way as an indication of the merits of the Company or the Placement Options offered pursuant to this Prospectus. ASX takes no responsibility for the contents of this Prospectus.

## **1.8 CHESS**

The Company participates in the Clearing House Electronic Sub-register System, known as CHESS. ASX Settlement Pty Limited, a wholly owned subsidiary of ASX, operates CHESS in accordance with the Listing Rules and the ASX Settlement Operating Rules.

Under CHESS, Applicants will not receive a certificate but will receive a statement of their holding of Placement Options.

If you elect to hold your Securities on the CHESS sub-register, ASX Settlement Pty Limited will send you a CHESS statement.

If you elect to hold your Securities on the Issuer Sponsored sub-register, your statement will be despatched by the Share Registry.

The statements will set out the number of existing Securities held (where applicable) and the number of new Placement Options allotted under this Prospectus and provide details of a Shareholder's holder identification number (for Shareholders who elect to hold Securities on the CHESS sub-register) or Shareholder reference number (for Shareholders who elect to hold their Securities on the Issuer Sponsored sub-register).

A CHESS statement or Issuer Sponsored statement will routinely be sent to Shareholders at the end of any calendar month during which the balance of their Shareholding changes. Shareholders may request a statement at any other time; however, a charge may be made for additional statements.

## **1.9 International Offer Restrictions**

This Prospectus, and any accompanying Application Form, do not, and is not intended to, constitute an offer of Placement Options in any jurisdiction in which it would be unlawful. In particular, this Prospectus, and any accompanying Application Form, may not be distributed to any person, and the Placement Options may not be offered or sold, in any country outside Australia where it would be unlawful to do so.

## **1.10 Risk factors**

An investment in Securities should be regarded as speculative. In addition to the general risks applicable to all investments in listed securities, there are certain specific risks associated with an investment in the Company which are detailed in Section 4.

## **1.11 Taxation implications**

The Directors do not consider it appropriate to give Applicants advice regarding the taxation consequences of subscribing for Placement Options.

The Company, its advisers and its officers do not accept any responsibility or liability for any such taxation consequences to Applicants. As a result, Applicants should consult their professional tax adviser in connection with subscribing for Placement Options.

## **1.12 Major activities and financial information**

A summary of the major activities and financial information relating to the Company, for the financial year ended 30 June 2021, can be found in the Company's Annual Report announced on ASX on 29 October 2021 and, for the half-year ended 31 December 2021, the Half Year Accounts announced on ASX on 23 February 2022. The Company's continuous disclosure notices (i.e. ASX announcements) since 30 June 2021 are listed in Section 5.3. Copies of these documents are available free of charge from the Company. The Directors strongly recommend that Applicants review these and all other announcements prior to deciding whether or not to participate in the Offer.

### **1.13 Privacy**

If you complete an application for Placement Options, you will be providing personal information to the Company (directly or by the Share Registry). The Company collects, holds and will use that information to assess the Application, service your needs as a Security holder, facilitate distribution payments and corporate communications to you as a Security holder, and carry out administration.

The information may also be used from time to time and disclosed to persons inspecting the register, bidders for your Securities in the context of takeovers, regulatory bodies, including the Australian Taxation Office, authorised securities brokers, print service providers, mail houses and the Share Registry.

By submitting an Application Form, each Applicant agrees that the Company may use the information provided by an Applicant on the Application Form for the purposes set out in this privacy disclosure statement and may disclose it for those purposes to the Share Registry, the Company's related bodies corporate, agents, contractors and third party service providers, including mailing houses and professional advisers, and to ASX and regulatory authorities.

If you do not provide the information required on the Application Form, the Company may not be able to accept or process your Application.

An Applicant has an entitlement to gain access to the information that the Company holds about that person subject to certain exemptions under law. A fee may be charged for access. Access requests must be made in writing to the Company's registered office.

Collection, maintenance and disclosure of certain personal information is governed by legislation including the *Privacy Act 1988* (Cth) (as amended), the Corporations Act and certain rules such as the ASX Settlement Operating Rules.

### **1.14 Enquiries concerning Prospectus**

Enquiries relating to this Prospectus should be directed to the Company Secretary by telephone on +61 8 9482 0511 or by email via [investor@harvest-tech.com.au](mailto:investor@harvest-tech.com.au).

For general shareholder enquiries, please contact the Share Registry on 1300 850 505 (within Australia) or +61 3 9415 4000 (outside Australia).

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## **2. Application for Placement Options**

### **2.1 Application Form**

Persons entitled to apply for Placement Options under the Offer should complete and submit an Application Form, in accordance with the instructions on the Application Form. Please read the instructions carefully.

Please complete the Application Form by filling in the details in the spaces provided.

Completed Application Forms must be lodged at any time after the issue of this Prospectus and on or before the Closing Date.

### **2.2 Acceptance of Application**

Acceptance of a completed Application Form by the Company creates a legally binding contract between the Applicant and the Company for the number of Placement Options accepted by the Company. The Application Form does not need to be signed to be a binding acceptance of Placement Options.

If the Application Form is not completed correctly it may still be treated as valid. The Directors' decision as to whether to treat the Application as valid and how to construe, amend or complete the Application Form is final.

By completing and returning your Application Form, you will be deemed to have represented that you are entitled to apply for Placement Options under the Offer. In addition, you will also be deemed to have represented and warranted on behalf of yourself or each person on whose account you are acting that the law in your place of residence and/or where you have been given the Prospectus, does not prohibit you from being given the Prospectus and that you:

- (a) agree to be bound by the terms of the Offer;
- (b) declare that all details and statements in the Application Form are complete and accurate;
- (c) declare that you are over 18 years of age and have full legal capacity and power to perform all your rights and obligations under the Application Form;
- (d) authorise the Company and its respective officers or agents, to do anything on your behalf necessary for the Placement Options to be issued to you, including to act on instructions of the Share Registry upon using the contact details set out in the Application Form;
- (e) declare that you have a registered address in Australia, or another country which permits the Company to make the Offer to you without the requirement to lodge any documents with your local regulatory authority;
- (f) acknowledge that the information contained in, or accompanying, the Prospectus is not investment or financial product advice or a recommendation that Placement Options are suitable for you given your investment objectives, financial situation or particular needs; and
- (g) acknowledge that the Placement Options have not, and will not be, registered under the securities laws in any other jurisdictions outside Australia.

### 3. Effect of the Offer

#### 3.1 Capital structure on completion of the Offer

Assuming that no existing Options are exercised, or Performance Rights or Convertible Notes converted into Shares, the effect of Offer on the Company's issued capital as at the date of this Prospectus is as shown in the following table.

|   | Shares <sup>1</sup> | Placement Options <sup>2</sup> | Unquoted Options <sup>3</sup> | Performance Rights <sup>4</sup> | Convertible Notes <sup>5</sup> |
|---|---------------------|--------------------------------|-------------------------------|---------------------------------|--------------------------------|
| Existing Securities on issue                    | 588,926,543         | -                              | 5,760,000                     | 56,000,000                      | 4,000,000                      |
| Maximum Securities to be issued under the Offer | -                   | 38,520,166                     | -                             | -                               | -                              |
| <b>Total</b>                                    | <b>588,926,543</b>  | <b>38,520,166</b>              | <b>5,760,000</b>              | <b>56,000,000</b>               | <b>4,000,000</b>               |

**Notes:**

1. Includes 38,520,166 Shares issued under the Placement.
2. Assumes the Offer is fully subscribed.
3. Comprising:
  - (a) 1,920,000 unquoted Options exercisable at \$0.10 expiring on 18 February 2023; and
  - (b) 3,840,000 unquoted Options exercisable at \$0.065 expiring on 18 February 2023.
4. The performance rights have expiry dates ranging between 26 April 2022 and 10 November 2025. As disclosed in the 2021 Annual Report, a further 6,068,404 Shares may be issued under the Employee Incentive Plan subject to the satisfaction of performance milestones. The final number of Shares to be issued is subject to a performance based formula and is therefore subject to change.
5. The convertible notes each have a face value of \$1.00, an interest rate of 9% per annum, a maturity date of 28 November 2024 and a conversion price of \$0.022 per Share;
6. In addition to the above, it is proposed that the following Securities will be issued:
  - (a) 6,666,666 Director Placement Shares to the Participating Directors (or their respective nominees) subject to the receipt of Shareholder approval; and
  - (b) 6,666,666 Director Placement Options to the Participating Directors (or their respective nominees) subject to the receipt of Shareholder approval.

**3.2 Use of funds**

No funds will be raised as a result of the Offer.

The Company will receive \$0.25 for each Placement Option exercised. If all Placement Options are issued and exercised, the Company will receive approximately \$9.63 million (before costs). There is no certainty that any of the Placement Options will be exercised.

It is currently intended that any funds raised by the exercise of the Placement Options will be used to accelerate the Company's global growth strategy in line with phase 2 of its Three-Phase Strategic Plan, including the acquisition of additional resources required to boost customer sales, as well as marketing, support services, and expansion of business development initiatives into the United Kingdom, EMEA and North American regions. Funds will also be used for the release of enhanced Nodestream and remote inspection system (RIS) applications, as well as ongoing research and development. Key sector targets will focus on maritime and energy, security and surveillance, utilities and light industry, unmanned systems / vehicles, and broadcasting and conferencing. The Company will also expand its footprint within the defence and government sectors.

The application of funds will depend on when Placement Options are exercised and the status of the Company's projects and requirements at the relevant time.

The above is a statement of current intentions at the date of this Prospectus. Intervening events and new circumstances have the potential to affect the manner in which the funds are ultimately applied. The Board reserves the right to alter the way the funds are applied on this basis.

**3.3 Substantial Shareholders**

Based on the information available to the Company, those Shareholders holding an interest in 5% or more of the Shares on issue as at the date of this Prospectus are as follows:

|                                | Shares     | Voting power |
|--------------------------------|------------|--------------|
| Carl Charalambous <sup>1</sup> | 39,977,458 | 6.79         |

|                             |            |      |
|-----------------------------|------------|------|
| Paul Guilfoyle <sup>2</sup> | 33,337,846 | 5.66 |
|-----------------------------|------------|------|

**Notes:**

1. Mr Charalambous' holds a relevant interest in the following Shares:
  - (a) 10,000 Shares held directly;
  - (b) 37,517,745 Shares held indirectly through Kyriaco Barber Pty Ltd; and
  - (c) 2,449,713 Shares held indirectly through Charalambous Super Pty Ltd <Charalambous Super Fund A/C>.
2. Refer to Section 5.7 for further details.

The Offer will not affect the number of Shares held by existing Shareholders as only Options are being offered under this Prospectus.

### 3.4 Diluting effect of the Offer

On the assumptions that:

- (a) all of the Placement Options offered under this Prospectus are issued and exercised into Shares; and
- (b) no other Securities are issued or exercised (including the Options, Performance Rights and Convertible Notes currently on issue),

the diluting effect on the percentage interest of existing Shareholders' would be 6.14%.

### 3.5 Financial effect of the Offer

To illustrate the effect of the Offer on the financial position of the Company, set out below is the reviewed statement of financial position of the Company as at 31 December 2021 and the unaudited pro forma statement of financial position as at the date of the Prospectus, which includes the effects of the Offer and the Adjustments.

|                           | Reviewed Statement of Financial Position as at 31/12/21 (\$'000) | Adjustments for Subsequent Events (\$'000) | Effect of the Offer (\$'000) | Pro Forma Statement of Financial Position Post Offer (\$'000) |
|---------------------------|--|--|------------------------------|---|
| <b>Current Assets</b>     |  |  |                              |   |
| Cash & cash equivalents   | 5,166,373  | 1,848,693                                  | (38,022)                     | 6,977,044   |
| Trade & other receivables | 994,942  | (225,685)                                  | -                            | 769,257   |
| Inventory                 | 352,297  | 221,953                                    | -                            | 574,250   |
| Prepayments               | 101,392  | (52,598)                                   | -                            | 48,794  |
| Other bonds and deposits  | 509,829  | (54,362)                                   | -                            | 455,467   |
| Current tax receivables   | 35,098   | -  | -                            | 35,098  |
| <b>Non Current Assets</b> |  |  |                              |   |
| Intangible assets         | 9,697,284  | (300,772)                                  | -                            | 9,396,512   |



|                                |                   |                    |                 |                   |
|--------------------------------|-------------------|--------------------|-----------------|-------------------|
| Property, plant and equipment  | 1,395,303         | (26,466)           | -               | 1,368,837         |
| Right-of-use leased assets     | 1,528,759         | (84,135)           | -               | 1,444,624         |
| Other bonds and deposits       | 217,899           | -                  | -               | 217,899           |
| <b>TOTAL ASSETS</b>            | <b>19,999,176</b> | <b>1,326,628</b>   | <b>(38,022)</b> | <b>21,287,782</b> |
| <b>Current Liabilities</b>     |                   |                    |                 |                   |
| Trade & other payables         | 1,148,453         | (961,337)          | -               | 187,116           |
| Other liabilities              | 42,883            | 18,949             | -               | 61,832            |
| Employee entitlements          | 565,289           | (143,759)          | -               | 421,530           |
| Lease liabilities              | 274,168           | (89,628)           | -               | 184,540           |
| Deferred consideration         | 750,000           | (750,000)          | -               | -                 |
| <b>Non Current Liabilities</b> |                   |                    |                 |                   |
| Lease liabilities              | 1,709,199         | -                  | -               | 1,709,199         |
| Borrowings                     | 3,665,795         | 23,962             | -               | 3,689,757         |
| <b>TOTAL LIABILITIES</b>       | <b>8,155,787</b>  | <b>(1,901,813)</b> | <b>-</b>        | <b>6,253,974</b>  |
| <b>NET ASSETS</b>              | <b>11,843,389</b> | <b>3,228,441</b>   | <b>(38,022)</b> | <b>15,033,808</b> |
| <b>EQUITY</b>                  |                   |                    |                 |                   |
| Issued capital                 | 34,759,197        | 6,382,966          | (38,022)        | 41,104,141        |
| Unissued capital               | 2,028,761         | -                  | -               | 2,028,761         |
| Reserves                       | 5,600,369         | -                  | -               | 5,600,369         |
| Accumulated Losses             | (30,544,938)      | (3,154,525)        | -               | (33,699,463)      |
| <b>TOTAL EQUITY</b>            | <b>11,843,389</b> | <b>3,228,441</b>   | <b>(38,022)</b> | <b>15,033,808</b> |

### Basis of Preparation and Assumptions

The unaudited pro forma statement of financial position has been prepared in accordance with the Corporations Act and the Australian Accounting Standards and Interpretations of the Australian Accounting Standards Board on a going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and settlement of liabilities in the normal course of business.

The unaudited pro forma statement of financial position is based on the Company's reviewed financial position as at 31 December 2021 and assumes that:

- (a) the Offer and Placement (but not the Director Securities) was effective at 31 December 2021;
  - (b) no further Shares are issued;
  - (c) the Offer is fully subscribed;
  - (d) the costs of the Offer is approximately \$38,022 (see Section 5.11 for further details); and
  - (e) completion of the Placement,
- (together, the **Adjustments**).

The unaudited pro forma statement of financial position has also been prepared on the basis that the assets and liabilities of the Company as at 31 December 2021 (as per the Company's Half Year Financial Report) have been adjusted for subsequent events which occurred prior to the Offer, including:

- (a) capital raised post 31 December 2021 as a result of the closing of the Company's accelerated non-renounceable entitlement offer as announced on 24 February 2022 and the results of the Placement announced 28 February 2022;
- (b) payment of the final tranche of deferred consideration in relation to the acquisition of Harvest Infinity Pty Ltd; and
- (c) movements in working capital resulting from transactions and expenditures incurred in the normal course of business including corporate costs.

### **3.6 Effect of the Offer on control of the Company**

The Company is of the view that the Offer will not affect the control (as defined by section 50AA of the Corporations Act) of the Company. No new investor or existing Shareholder will have a voting power greater than 20% as a result of the completion of the Offer.

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## **4. Risk Factors**

As with any investment in Securities, there are risks involved. This Section identifies the major areas of risk associated with an investment in the Company but should not be taken as an exhaustive list of the potential risk factors to which the Company and its security holders are exposed. Potential investors should read the entire Prospectus and consult their professional advisers before deciding whether to apply for Placement Options.

The Directors consider that the following summary represents some of the major risk factors which Shareholders need to be aware of in evaluating the Company's business and risks of increasing your investment in the Company. Investors should carefully consider the following factors in addition to the other information presented in this Prospectus.

The principal risks include, but are not limited to, the following:

### **4.1 Risks specific to the Company**

#### **(a) Future capital needs and additional funding**

The Company's existing cash reserves are considered sufficient to meet the current proposed objectives of the Company. Additional funding may be required in the event future costs exceed the Company's estimates and to effectively implement its business and operations plans in the future, to take advantage of opportunities for acquisitions, joint ventures or other business opportunities, and to meet any unanticipated liabilities or expenses which the Company may incur.

The Company may seek to raise further funds through equity or debt financing, joint ventures or other means. Failure to obtain sufficient financing for the Company's activities and future projects may result in delay and indefinite postponement of its research and development programmes. There can be no assurance that additional finance will be available when needed or, if available, the terms of the financing might not be favourable to the Company and might involve substantial dilution to Shareholders.

(b) **Growth Strategies**

HTG has a number of strategies in place to generate future growth and earnings. There is a risk that the implementation of growth strategies will be subject to delays or cost overruns and there is no guarantee that these strategies will generate the customer demand, full financial benefits anticipated or result in future sales and earnings growth and may not deliver a return on investment. Furthermore, the implementation of growth strategies may lead to changes to HTG's business or the customer experience which may result in unintended adverse consequences.

(c) **Stage of development**

There is a risk that HTG (being at an early stage of development) may not be able to manage accelerated growth, which could impact the financial results and growth funding of HTG, as well as the share price of the Company. The Company does not currently generate positive cash-flow and requires funding to deliver on its strategy.

(d) **Future profitability**

The Company's limited financial history creates uncertainty in relation to the business and its prospects. There can be no certainty that HTG will achieve or sustain profitability or achieve or sustain positive cash flow from its operating activities. The Group's profitability may be impacted by many factors and the extent of future profits (if any) and the time required to achieve sustained profitability are uncertain and cannot be reliably predicted.

(e) **Credit and counterparty risk**

HTG is exposed to credit risks relating to the delayed payments or non-payments from its customers, including in the event a customer ceases operations or suffers an insolvency event, or an inability to recover payments from customers outside Australia. If a material portion of customers were to default in payment under their respective arrangements with HTG, this could have a material adverse effect on the Company's business, operating results and financial condition, including decreasing operating cash flows. Furthermore, while the Company has not observed a material decline in collections relative to its historical levels, investors should note that there may be an increased risk of default as a result of poor economic conditions if the spread of COVID-19 continues.

(f) **Supplier and customer relationships**

The Group relies on key business relationships to deliver its services. There are multiple suppliers for the Company to contract with. A failure to maintain supplier relationships generally could result in a loss of support, which could adversely impact the business operations and the financial results. In particular, the Company has four significant supplier contracts. A loss of these arrangements would therefore have a materially adverse impact on the operability and profitability of the Company in its delivery and support of hardware products.

(g) **Data Loss, Theft or Corruption**

The Company stores data in its own systems and networks. Exploitation or hacking of any of these systems or networks could lead to corruption, theft or loss of the data which could have a material adverse effect on the Company's business, financial condition and results. Further, if the Company's systems, networks or technology are subject to any type of 'cyber' crime, its technology may be perceived as unsecure which may lead to a decrease in the number of customers.

(h) **Research and Development and Technical Risk**

HTG's products are the subject of continuous research and development in order to meaningfully improve the products' usability, scalability and performance. There are no guarantees that the Company will be able to undertake such research and development successfully. Failure to successfully undertake such research and development, anticipate technical problems, or estimate research and development costs or timeframes accurately will adversely affect the Company's results and viability.

(i) **Technology Risk**

The Company's market involves rapidly evolving products and technological change. To succeed, the Company will need to research, develop, design, test, market and support enhancements to its existing products and new products, on a timely and cost-effective basis. The Company cannot guarantee that it will be able to engage in research and development at the requisite levels. The Company cannot assure investors that it will successfully identify new technological opportunities and continue to have the needed financial resources to develop new products in a timely or cost-effective manner.

(j) **Competition**

HTG's ability to attract and retain customers will be affected by alternative service and price offerings by products and technologies developed by competitors in the markets in which HTG operates which may render the Company's products and systems obsolete or non-competitive.

(k) **Intellectual Property Rights**

A substantial part of the Company's commercial success will depend on its ability to establish and protect HTG's intellectual property to maintain trade secret protection and operate without infringing the proprietary rights of third parties. The commercial value of these intellectual property assets is dependent on any relevant legal protections. These legal mechanisms, however, do not guarantee that the intellectual property will be protected or that the Company's competitive position will be maintained.

No assurance can be given that employees or third parties will not breach confidentiality agreements, infringe or misappropriate the Company's intellectual property or commercially sensitive information, or that competitors will not be able to produce non-infringing competitive products. Competition in retaining and sustaining protection of technologies and the complex nature of technologies can lead to expensive and lengthy disputes for which there can be no guaranteed outcome. There can be no assurance that any intellectual property which the Company (or entities it deals with) may have an interest in now or in the future will afford the Company commercially significant protection of technologies, or that any of the projects that may arise from technologies will have commercial applications.

It is possible that third parties may assert intellectual property infringement, unfair competition or like claims against HTG or the Company under copyright, trade secret, patent, or other laws. While the Company is not aware of any claims of this nature in relation to any of the intellectual property rights in which it has or will acquire an interest, such claims, if made, may harm, directly or indirectly, the Company's business. If the Company is forced to defend claims of intellectual property infringement, whether they are with or without merit or are determined in the Company's favour, the costs of such litigation will be potentially significant and may divert management's attention from normal commercial operations. Additionally,

securing rights to (or developing) technologies complementing HTG's existing intellectual property will also play an important part in the commercial success of the Company. There is no guarantee that such rights can be secured, or such technologies can be developed.

(l) **Key management personnel**

HTG relies heavily on its existing key management personnel, who have intimate knowledge of the business. If one of these members were to resign or leave the business, this could have an adverse effect on HTG's performance, and there is no guarantee that HTG could attract a suitably qualified replacement, or if it is able to do so, how long it may take to attract and employ such a replacement.

(m) **Legal or regulatory risks**

HTG operates in a regulated environment. It is subject to having its market behaviour monitored and regulated by ASIC, ASX, ACCC and other applicable agencies. There are also several consumer groups that monitor the conduct of data optimisation service providers. The viability and profitability of HTG may be affected by changes to government policies and legislation of Australia or any other country where the Company may acquire or operate economic interests, including but not limited to those relating to the data optimisation and transfer pricing and taxation.

(n) **Export Controls**

The United States Government and other governments impose export controls to protect national security interests and promote foreign policy objectives. Such export controls are particularly prevalent in technologies that may have defence, data or telecommunication applications. The impost of export controls can restrict the manner in which a product or service is commercialised, and to the extent that the controls prevent HTG from commercialising its products or limit competition for its products and services, such export controls may adversely impact HTG's revenues.

(o) **Insurance**

The Company faces various risks in conducting its business and may lack adequate insurance coverage or may not have the relevant insurance coverage. The Company has arranged and maintains insurance coverage for its employees (such as travel insurance, workers compensation, and health insurance policies for some of its overseas employees), public liability, motor vehicle, marine cargo, Directors & Officers, as well as and other insurances such as general liability covering office and contents, however it does not currently propose to arrange and maintain product liability, professional indemnity or business interruption insurance.

The Company will need to review its insurance requirements periodically. If the Company incurs substantial losses or liabilities and its insurance coverage is unavailable or inadequate to cover such losses or liabilities, the Company's financial position and financial performance may be adversely affected. The occurrence of an event that is not covered or fully covered by insurance could have a material adverse effect on the business, financial condition and results of the Company.

(p) **Foreign Exchange**

The Company will be operating in a variety of jurisdictions (both for its customer and its supply chain), including the United States of America and Australia, and as such, expects to generate revenue and incur costs and expenses in more than one currency. Consequently, movements in currency exchange rates may adversely or beneficially affect the Company's results or operations and cash flows. For example,

the appreciation or depreciation of the US dollar relative to the Australian dollar would result in a foreign currency loss or gain. Any depreciation of currencies in foreign jurisdictions in which the Company operates may result in lower than anticipated revenue, profit and earnings of the Company.

(q) **Government Contracts**

A portion of the Company's revenues may depend on the Company's ability to do business with the Australian, U.S. and other foreign governments and their various agencies, whether directly or indirectly.

Such customers may:

- (i) award or terminate contracts at their convenience;
- (ii) terminate, reduce or modify contracts or subcontracts if its requirements or budgetary constraints change;
- (iii) cancel multi-year contracts and related orders if funds become unavailable;
- (iv) shift their spending priorities;
- (v) adjust contract costs and fees based on audits done by its agencies;
- (vi) use and practice intellectual property developed in the performance of a government contract or subcontract;
- (vii) claim rights to intellectual property not properly protected pursuant applicable contract terms;
- (viii) seek penalties and fines exceeding the value of a contract for contract activity that results in the submission of a false claim to the government;
- (ix) debar the Company or its subsidiaries because of legal and other actions undertaken by or against the Company or its subsidiaries, the Company's officers, directors, shareholders, employees and affiliates, or convictions of the Company's officers, directors, shareholders, employees or affiliates; and
- (x) inquire about and investigate business practices and audit compliance with applicable rules and regulations.

(r) **Disputes**

The activities of the Company may result in disputes with third parties, including, without limitation, the Company's investors, competitors, regulators, partners, distributors, customers, directors, officers and employees, and service providers. The Company may incur substantial costs in connection with such disputes.

HTG was required to provide a bank guarantee, in the form of a cash deposit of 292,000 Euro to Vroon Offshore Services B.V. in respect of the lease of the VOS Shine. The cash deposit was due to be refunded on 1 January 2022. HTG is yet to receive the bank guarantee. The position on the settlement of final contractual obligations is subject to negotiation, the contract having a framework for the resolution of disputes which ultimately includes an arbitration process. HTG will continue to avail itself of all available options to recover the funds and remains confident of full recovery (**Vroon Dispute**).

## 4.2 General risks

The future prospects of the Company's business may be affected by circumstances and external factors beyond the Company's control. Financial performance of the Company may be affected by a number of business risks that apply to companies generally and may include economic, financial, market or regulatory conditions.

### (a) Financial Environment

Changes in the general economic climate in which the Company operates may adversely affect the financial performance of the Company and the value of its assets. Factors which contribute to that general economic climate include:

- (i) contractions in the world economy or increases in rates of inflation resulting from domestic or international conditions (including movements in domestic interest rates and reduced economic activity);
- (ii) international currency fluctuations and changes in interest rates;
- (iii) demand for and supply of capital and finance;
- (iv) changes in government legislation and regulatory policy, including with regard to rates and types of taxation; and
- (v) domestic and international economic and political conditions.

Further, share market conditions may affect the value of the Company's quoted shares regardless of the Company's operating performance. Share market conditions are affected by factors such as:

- (i) general economic outlook;
- (ii) interest rates and inflation rates;
- (iii) currency fluctuations;
- (iv) changes in investor sentiment toward particular market sectors;
- (v) the demand for, and supply of, capital; and
- (vi) terrorism or other illegal acts.

### (b) Litigation risk

The Company is exposed to possible litigation risks including, but not limited to, intellectual property ownership disputes, contractual claims, environmental claims, occupational health and safety claims and employee claims. Further, the Company may be involved in disputes with other parties in the future which may result in litigation. Any such claim or dispute if proven, may impact adversely on the Company's operations, financial performance and financial position. The Company is not currently engaged in any litigation. Refer to Section 4.1(r) for details relating to the Vroon Dispute.

### (c) Accounting Standards and Tax Laws

The Company is exposed to the risk of changes to accounting standards, applicable laws or their interpretation which may have a negative effect on the Company, its investments or returns to Shareholders including the risk of non-compliance with reporting or other legal obligations. Any change to the rate of company income tax in jurisdictions in which the Company operates will impact on shareholder returns.

(d) **Infectious diseases and COVID-19**

Infectious diseases such as COVID-19 could interrupt HTG's operations, impair deployment of its solutions to customers and prevent customers from honouring their contractual obligations. Such diseases can also cause hospitalisation or death of HTG's existing and potential customers and staff. Containment strategies imposed by governments are likely to inhibit the installation and maintenance of HTG's products, as well as causing disruptions to supply chains and delays in sourcing component parts. The Company has sufficient material to deliver current orders and will aim to meet future demand through commercial terms that protect lead times and force majeure events. The Company has also created work-from-home procedures to manage business continuity risks if required.

(e) **Climate Change**

HTG's services could be impacted by significant adverse weather conditions such as hurricanes, cyclones, or high winds impacting on the operation of its equipment or other adverse weather conditions or floods impacting third party networks on which the Company depends, which could have an adverse impact on future operations and profitability. HTG recognises that adverse climate change events may have an adverse impact on the general economic climate in which it operates, may impact the supply and price of hardware components and may adversely impact HTG's logistics.

#### 4.3 **Investment speculative**

The above list of risk factors ought not to be taken as exhaustive of the risks faced by the Company or by investors in the Company. The above factors, and others not specifically referred to above, may in the future materially affect the financial performance of the Company and the value of the Placement Options offered under this Prospectus.

Therefore, the Placement Options to be issued pursuant to this Prospectus carry no guarantee with respect to the payment of dividends, returns of capital or the market value of those Placement Options.

Potential investors should consider that the investment in the Company is highly speculative and should consult their professional advisers before deciding whether to apply for Placement Options pursuant to this Prospectus.

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## 5. **Additional information**

### 5.1 **Terms and conditions of Placement Options**

The terms and conditions of the Placement Options are as follows:

- (a) **(Entitlement)**: Each Placement Option gives the holder the right to subscribe for one Share.
- (b) **(Expiry Date)**: The Placement Options will expire at 5.00pm (WST) on the date that is 24 months from the date of issue (**Expiry Date**). A Placement Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.
- (c) **(Exercise Price)**: Subject to paragraph 5.1(j), the amount payable upon exercise of each Placement Option is \$0.25 per Option.
- (d) **(Exercise)**: A holder may exercise their Placement Options by lodging with the Company, before the Expiry Date:



- (i) a written notice of exercise of Placement Options specifying the number of Placement Options being exercised; and
  - (ii) a electronic funds transfer for the Exercise Price for the number of Placement Options being exercised,
- (e) **(Exercise Notice).** An Exercise Notice is only effective when the Company has received the full amount of the Exercise Price in cleared funds. The Placement Options held by each holder may be exercised in whole or in part, and if exercised in part, at least 1,000 must be exercised on each occasion.
- (f) **(Timing of issue of Shares on exercise):** Within 5 Business Days of receipt of the Exercise Notice accompanied by the Exercise Price, the Company will issue the number of Shares required under these terms and conditions in respect of the number of Placement Options specified in the Exercise Notice.
- (g) **(Transferability):** The Placement Options are freely transferable from the date of issue, subject to any restriction or escrow arrangements imposed by ASX or under Australian securities laws.
- (h) **(Ranking of Shares):** All Shares allotted upon the exercise of Placement Options will upon allotment be fully paid and rank *pari passu* in all respects with other Shares.
- (i) **(Quotation):** The Company will apply for quotation of the Placement Options on ASX. The Company will apply for quotation of all Shares allotted pursuant to the exercise of Placement Options on ASX within 5 Business Days after the date of allotment of those Shares.
- (j) **(Reconstruction):** If at any time the issued capital of the Company is reconstructed, all rights of a holder of Placement Options are to be changed in a manner consistent with the Corporations Act and the Listing Rules at the time of the reconstruction.
- (k) **(Participating rights):** There are no participating rights or entitlements inherent in the Placement Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Placement Options without exercising the Placement Options.
- (l) **(Amendments):** A Placement Option does not confer the right to a change in the Exercise Price or a change in the number of underlying securities over which the Placement Option can be exercised.

## 5.2 Rights and liabilities attaching to Shares

A summary of the rights attaching to Shares in the Company is below. This summary is qualified by the full terms of the Constitution (copies of which are available from the Company on request free of charge) and does not purport to be exhaustive or to constitute a definitive statement of the rights and liabilities of Shareholders. These rights and liabilities can involve complex questions of law arising from an interaction of the Constitution with statutory and common law requirements. For a Shareholder to obtain a definitive assessment of the rights and liabilities which attach to Shares in any specific circumstances, the Shareholder should seek legal advice.

### (a) General meeting and notices

Each member is entitled to receive notice of, and to attend and vote at, general meetings of the Company and to receive all notices, accounts and other documents required to be sent to members under the Constitution, the Corporations Act or the Listing Rules.

(b) **Voting rights**

Subject to any rights or restrictions for the time being attached to any class or classes of Shares, at a general meeting of the Company every holder of fully paid Shares present in person or by an attorney, representative or proxy has one vote on a show of hands (unless a member has appointed 2 proxies) and one vote per Share on a poll.

A person who holds a Share which is not fully paid is entitled, on a poll, to a fraction of a vote equal to the proportion which the amount paid bears to the total issue price of the Share.

(c) **Issues of further Shares**

Subject to the Corporations Act and the Constitution, the Board may, on behalf of the Company, issue, grant options over or otherwise dispose of unissued shares to any person on the terms, with the rights, and at the times that the Board decides. The Company must not issue shares or grant options if the issue or grant would result in a breach of the Listing Rules.

(d) **Variation of rights**

Unless otherwise provided by the Constitution or by the terms of issue of a class of Shares, the rights attached to the Shares in any class may be varied or cancelled only with the written consent of the holders of at least three-quarters of the issued Shares of the affected class, or by special resolution passed at a separate meeting of the holders of the issued Shares of the affected class.

(e) **Transfer of Shares**

Subject to the Constitution, a member may transfer a share as provided by the operating rules of an applicable clearing and settlement facility or by any other means permitted by the Corporations Act, any other applicable law or the Listing Rules.

(f) **Dividends**

Subject to the Corporations Act, the Listing Rules, the Constitution and the rights attaching to Shares issued on special conditions, the Directors may from time to time declare that a dividend is payable to the holders of ordinary Shares and fix the time for payment. The Directors may rescind or alter any such determination or declaration before payment is made.

(g) **Winding up**

Subject to the Constitution, the Corporations Act and the rights of holders of Shares with special rights, on a winding up of the Company, the liquidator may, with the sanction of a special resolution of the Company, divide among the members in kind the whole or any part of the property of the Company and may for that purpose set such value as the liquidator considers fair on any property to be so divided and may determine how the division is to be carried out as between the members or different classes of members.

(h) **Dividend reinvestment and share plans**

The Directors may establish a dividend reinvestment plan on any terms, under which participants may elect to reinvest cash dividends paid by the Company by subscribing for Shares in the Company.

(i) **Directors**

The Company must have not less than 3 Directors.

(j) **Powers of the Board**

Except as otherwise required by the Corporations Act, any other law, the Listing Rules or the Constitution, the Directors may exercise all the powers of the Company except any powers that the Corporations Act or the Constitution requires the Company to exercise in general meeting.

(k) **Capitalisation of profits**

The Directors may capitalise any profits of the Company and distribute that capital to the members, in the same proportions as the members would have been entitled in a distribution of that sum by way of dividend.

### 5.3 Copies of documents

Copies of documents lodged by the Company in connection with its reporting and disclosure obligations may be obtained from, or inspected at, an office of ASIC. The Company will provide free of charge to any person who requests it during the period of the Offer a copy of:

- (a) the financial statements of the Company for the financial year ended 30 June 2021, being the last financial statements for a financial year of the Company lodged with ASIC before the issue of this Prospectus;
- (b) the half year report of the Company for the half year ended 31 December 2021 as lodged with ASX on 23 February 2022; and
- (c) the following notices given by the Company to notify ASX of information relating to the Company during the period from balance date of the annual report for the financial year ended 30 June 2021 referred to in Section 5.3(a) above until the date of this Prospectus:

| Date lodged       | Subject of Announcement                                      |
|-------------------|--|
| 8 July 2021       | Appointment of Non-Executive Director                        |
| 8 July 2021       | Initial Director's Interest Notice                           |
| 9 July 2021       | Application for quotation of securities - HTG                |
| 9 July 2021       | Cleansing Notice   |
| 15 July 2021      | Change of Director's Interest Notice x 2                     |
| 27 July 2021      | June 2021 Quarterly Activities and Cash Flow Report          |
| 3 August 2021     | Clarifying Statement in relation to June Activities Report   |
| 6 August 2021     | Change in substantial holding                                |
| 16 August 2021    | Vessel Redelivery Shines Spotlight on Technology             |
| 31 August 2021    | Appendix 4E and Preliminary Final Report                     |
| 6 September 2021  | HTG & Innovation Central Perth to Tackle Global Connectivity |
| 14 September 2021 | Application for quotation of securities - HTG                |

| Date lodged       | Subject of Announcement                                    |
|-------------------|--|
| 14 September 2021 | Cleansing Notice   |
| 29 September 2021 | Full Year Statutory Accounts                               |
| 5 October 2021    | Annual General Meeting Date and Director Nominations       |
| 6 October 2021    | HTG Commences Phase 2 With Launch Of Opsivity To Market    |
| 8 October 2021    | Investor Briefing  |
| 8 October 2021    | Appointment of Joint Company Secretary                     |
| 11 October 2021   | Investor Presentation                                      |
| 11 October 2021   | Investor Briefing - Rescheduled                            |
| 14 October 2021   | HTG signs reseller agreement with Speedcast                |
| 19 October 2021   | HTG Expands Ecosystem with Inmarsat Global                 |
| 26 October 2021   | Notice of Annual General Meeting/Proxy Form                |
| 27 October 2021   | Quarterly Activities/Appendix 4C Cash Flow Report          |
| 29 October 2021   | Annual Report to shareholders                              |
| 29 October 2021   | Appendix 4G  |
| 29 October 2021   | Appendix 4G - amended                                      |
| 15 November 2021  | Cleansing Notice   |
| 15 November 2021  | Application for quotation of securities                    |
| 18 November 2021  | Jobkeeper Payments Notice                                  |
| 26 November 2021  | Annual General Meeting Details                             |
| 30 November 2021  | Results of Meeting   |
| 3 December 2021   | S&P DJI Announces December 2021 Quarterly Rebalance        |
| 7 December 2021   | Change in substantial holding                              |
| 13 December 2021  | Pause in Trading   |
| 13 December 2021  | Trading Halt   |
| 13 December 2021  | Cleansing Notice   |
| 13 December 2021  | Proposed issue of securities                               |
| 13 December 2021  | Investor Presentation                                      |
| 13 December 2021  | Harvest Launches Equity Raising to Pursue Strategic Growth |
| 14 December 2021  | Release from Escrow  |
| 15 December 2021  | Successful Completion of Institutional Entitlement Offer   |
| 20 December 2021  | Retail Entitlement Offer Booklet                           |
| 20 December 2021  | Letter to Ineligible Shareholders                          |

| Date lodged      | Subject of Announcement                                      |
|------------------|--|
| 20 December 2021 | Nominee Letter   |
| 21 December 2021 | Harvest top Supply Infinity Nodestream Systems to TechnipFMC |
| 23 December 2021 | Application for quotation of securities                      |
| 11 January 2022  | Extension of Entitlement Issue                               |
| 11 January 2022  | Update – Proposed issue of securities                        |
| 24 January 2022  | HTG signs MSA to join Inmarsat's Marine Network              |
| 31 January 2022  | Quarterly Activities/Appendix 4C Cash Flow Report            |
| 2 February 2022  | Results of Retail Entitlement Offer                          |
| 4 February 2022  | Application for quotation of securities                      |
| 4 February 2022  | Change of Director's Interest Notice - S Carmichael          |
| 4 February 2022  | Change of Director's Interest Notice – M Machin              |
| 14 February 2022 | Harvest Technology Group CFO Transition                      |
| 23 February 2022 | Half-Year Financial Report and Appendix 4D                   |
| 24 February 2022 | Trading Halt   |
| 24 February 2022 | No issue of Shortfall Shares                                 |
| 28 February 2022 | Harvest Receives Binding Commitments for \$6.78 Million      |
| 28 February 2022 | Proposed issue of securities                                 |
| 3 March 2022     | Issue of Placement Shares and Cleansing Notice               |
| 3 March 2022     | Application for quotation of securities                      |
| 15 March 2022    | HTG's Flagship RiS Remote Inspection System Product Launch   |
| 17 March 2022    | Application for quotation of securities                      |
| 17 March 2022    | Cleansing Notice   |
| 23 March 2022    | HTG Marlink Reseller Agreement                               |
| 24 March 2022    | Clarification Announcement - HTG Marlink Reseller Agreement  |
| 28 March 2022    | HTG Trading Update   |
| 30 March 2022    | Change of Company Secretary                                  |

The following documents are available for inspection throughout the period of the Offer during normal business hours at the registered office of the Company:

- (a) this Prospectus;
- (b) the Constitution; and
- (c) the consents referred to in Section 5.12 and the consents provided by the Directors to the issue of this Prospectus.

#### **5.4 Information excluded from continuous disclosure notices**

There is no information which has been excluded from a continuous disclosure notice in accordance with the Listing Rules other than as is set out in this Prospectus and in this Section 5.4.

The Company is in continuing negotiations with several established global resellers for the integration of the Infinity suite of products into their existing sales and distribution channels. The Company is seeking to enter into new reseller agreements across target sectors of Maritime and Energy, Defence and Government, Security and Surveillance, Utilities and Light Industry, Unmanned Systems/Vehicles, and Broadcasting/Conferencing.

#### **5.5 Determination by ASIC**

ASIC has not made a determination which would prevent the Company from relying on Section 713 of the Corporations Act in issuing the Shares under this Prospectus.

#### **5.6 Market price of Shares**

The highest and lowest closing market sale prices of the Shares on ASX during the three months immediately preceding the date of lodgement of this Prospectus with ASIC and the respective dates of those sales were:

Highest: \$0.23 on 25 March 2022.

Lowest: \$0.15 on 23 February and 7-8 March 2022.

The latest available market sale price of the Shares on ASX prior to the date of lodgement of this Prospectus with ASIC was \$0.205 per Share on 30 March 2022.

#### **5.7 Interests of Directors**

##### **(a) Information disclosed in this Prospectus**

Other than as set out in this Prospectus, no Director (or entity in which they are a partner or director) holds or has held within the 2 years preceding lodgement of this Prospectus with the ASIC, any interest in:

- (i) the formation or promotion of the Company;
- (ii) any property acquired or proposed to be acquired by the Company in connection with its formation or promotion, or the Offer; or
- (iii) the Offer,

and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to a Director or proposed director:

- (i) as an inducement to become, or to qualify as, a Director; or
- (ii) for services provided in connection with the formation or promotion of the Company, or the Offer.

##### **(b) Directors' interests in Securities**

The relevant interests of each of the Directors in Securities as at the date of this Prospectus is set out below.

| Director                       | Shares     | Performance Rights |
|--------------------------------|------------|--------------------|
| Paul Guilfoyle <sup>1,2</sup>  | 33,337,846 | 24,200,000         |
| Jeffery Sengelman              | 500,000    | 1,000,000          |
| Marcus Machin <sup>3, 4</sup>  | 15,583,959 | 5,500,000          |
| Stuart Carmichael <sup>5</sup> | 646,849    | 1,650,000          |
| Rodney Evans <sup>6</sup>      | 3,047,553  | -                  |

**Notes:**

1. Mr Guilfoyle intends to subscribe for a total of 3,333,333 Shares with 3,333,333 free attaching Options under the Placement. The issue of the Director Placement Shares and Director Placement Options are subject to shareholder approval at an extraordinary general meeting.
2. Mr Guilfoyle's Securities are held as follows:
  - (a) 12,205,000 Shares held directly;
  - (b) 21,132,846 Shares held indirectly through PJG Holdings (WA) Pty Ltd; and
  - (c) 24,200,000 performance rights held directly.
3. Mr Machin intends to subscribe for a total of 3,333,333 Shares with 3,333,333 free attaching Options under the Placement. The issue of the Director Placement Shares and Director Placement Options are subject to shareholder approval at an extraordinary general meeting.
4. Mr Machin's Securities are held indirectly through Arab Capital Holdings Limited.
5. Mr Carmichael's Securities are held as follows:
  - (a) 448,926 Shares held indirectly through SBV Capital Pty Ltd;
  - (b) 1,650,000 performance rights held indirectly through SBV Capital Pty Ltd; and
  - (c) 197,923 Shares held indirectly through SJ & T Carmichael Superannuation Pty Ltd.
6. Mr Evans' Securities are held as follows:
  - (a) 2,447,553 Shares held directly; and
  - (b) 600,000 Shares held indirectly through Ms Catherine Louise Evans <Evans Family A/C>.

(c) **Remuneration of Directors**

The Constitution of the Company provides that the non-executive directors are entitled to be paid an amount of fees which does not in any year exceed in aggregate the amount last fixed by ordinary resolution. The aggregate amount fixed is \$350,000. This aggregate amount is to be allocated among the non-executive directors equally, having regard to the proportion of the relevant year for which each director held office, or as otherwise decided by the Board. The amount may also be provided in a manner the Board decides, which may include provision of non-cash benefits, in which case, the Board must also decide the manner in which the value of those benefits is to be calculated.

The Constitution also provides that:

- (i) the Directors shall be entitled to be paid reasonable travelling, accommodation and other expenses incurred by them respectively in or about the performance of their duties as Directors; and
- (ii) if any of the Directors being willing are called upon to perform additional or special duties for Company, the Company may remunerate that Director as determined by the Directors and that remuneration may be either in addition to or in substitution for his or her share in the fee-pool described.

The remuneration of executive directors is to be fixed by the Board. As at the date of this Prospectus, the Company has one executive director: Mr Guilfoyle. The total annual base salary payable to Mr Guilfoyle is currently \$325,000 (exclusive of superannuation).

The table below sets out the remuneration provided to the Directors of the Company and their associated companies during the last two financial years (FY), inclusive of directors fees, consultancy fees, superannuation benefits and share-based payments.

| Director                       | FY ended 30 June 2020 (\$) | FY ended 30 June 2021 (\$) |
|--------------------------------|----------------------------|----------------------------|
| Paul Guilfoyle                 | 875,847                    | 418,180                    |
| Jeffery Sengelman              | 987                        | 343,168                    |
| Marcus Machin                  | 71,454                     | 55,176                     |
| Stuart Carmichael <sup>1</sup> | -                          | -                          |
| Rodney Evans                   | 82,506                     | 55,176                     |

**Notes:**

1. Mr Carmichael was appointed as a Non-Executive Director on 8 July 2021. Ventnor Capital Pty Ltd, an entity related to Mr Carmichael, receive \$3,500 per month for company secretarial services provided to the Company.

**5.8 Related party transactions**

There are no related party transactions involved in the Offer, however, as set out in Section 1.1, the Participating Directors will receive an aggregate of 6,666,666 Director Placement Shares and 6,666,666 Director Placement Options in respect of their relevant subscriptions, subject to Shareholder approval.

**5.9 Interests of other persons**

Except as disclosed in this Prospectus, no expert, promoter or other person named in this Prospectus as performing a function in a professional, advisory or other capacity:

- (a) has any interest nor has had any interest in the last two years prior to the date of this Prospectus in the formation or promotion of the Company, the Placement Options offered under this Prospectus or property acquired or proposed to be acquired by the Company in connection with its formation or promotion or the Placement Options offered under this Prospectus; or
- (b) has been paid or given or will be paid or given any amount or benefit in connection with the formation or promotion of the Company or the Placement Options offered under this Prospectus.



Hamilton Locke will be paid approximately \$12,500 (plus GST) in fees for legal services in connection with the Offer and Placement. Hamilton Locke has not provided legal services to the Company and its subsidiaries over the past 24 months.

#### 5.10 Lead Manager Mandate

The Company entered into a mandate with Alto Capital (**Lead Manager**) in connection with the Placement for the provision of lead manager services and bookrunner services, including the coordination and management of the Placement as well as corporate and commercial advisory services (**Lead Manager Mandate**).

Under the Lead Manager Mandate, the Company has agreed to pay the Lead Manager a 6% capital raising fee in cash in respect of funds raised under the Placement (**Lead Manager Fee**).

The Lead Manager Mandate contains additional provisions, including warranties and indemnities in respect of the Company, which are considered standard for agreements of this nature.

No further fees are payable to the Lead Manager in respect of the Offer.

#### 5.11 Expenses of Offer

The estimated expenses of the Offer are as follows:

| Estimated expenses of the Offer                | \$            |
|--|---------------|
| ASIC lodgement fee                             | 3,206         |
| ASX quotation fee (excluding GST)              | 22,316        |
| Legal and preparation expenses (excluding GST) | 12,500        |
| <b>Total</b>                                   | <b>38,022</b> |

#### 5.12 Consents

Chapter 6D of the Corporations Act imposes a liability regime on the Company (as the offeror of Options under this Prospectus), the Directors, any persons named in the Prospectus with their consent having made a statement in the Prospectus and persons involved in a contravention in relation to the Prospectus, with regard to misleading and deceptive statements made in the Prospectus. Although the Company bears primary responsibility for the Prospectus, the other parties involved in the preparation of the Prospectus can also be responsible for certain statements made in it.

Each of the parties referred to in this Section:

- (a) does not make, or purport to make, any statement in this Prospectus other than those referred to in this Section; and
- (b) in light of the above, only to the maximum extent permitted by law, expressly disclaim and take no responsibility for any part of this Prospectus other than a reference to its name and a statement included in this Prospectus with the consent of that party as specified in this Section.

Hamilton Locke has given its written consent to being named as the solicitors to the Company in this Prospectus. Hamilton Locke has not withdrawn its consent prior to the lodgement of this Prospectus with the ASIC.

Alto Capital has given its written consent to being named in this Prospectus as the lead manager to the Placement. Alto Capital has not withdrawn its consent prior to the lodgement of this Prospectus with the ASIC.

Computershare Investor Services Pty Limited has given its written consent to being named in this Prospectus as share registry to the Company. Computershare Investor Services Pty Limited has not withdrawn its consent prior to the lodgement of this Prospectus with the ASIC.

### **5.13 Electronic Prospectus**

Pursuant to Regulatory Guide 107 ASIC has exempted compliance with certain provisions of the Corporations Act to allow distribution of an Electronic Prospectus on the basis of a paper Prospectus lodged with ASIC and the issue of Shares in response to an electronic application form, subject to compliance with certain provisions. If you have received this Prospectus as an Electronic Prospectus please ensure that you have received the entire Prospectus accompanied by the Application Form. If you have not, please email the Company and the Company will send to you, for free, either a hard copy or a further electronic copy of this Prospectus or both.

The Company and the Lead Manager reserve the right not to accept an Application Form from a person if it has reason to believe that when that person was given access to the electronic Application Form, it was not provided together with the Electronic Prospectus and any relevant supplementary or replacement prospectus or any of those documents were incomplete or altered. In such a case, the Application Monies received will be dealt with in accordance with section 722 of the Corporations Act.

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## **6. Directors' Statement and Consent**

This Prospectus is authorised by each of the Directors of the Company.

This Prospectus is signed for and on behalf of Company by:



Jeffery Sengelman DSC AM CSC  
**Chair**

Dated: 30 March 2022

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## 7. Definitions

These definitions are provided to assist persons in understanding some of the expressions used in this Prospectus.

**\$** means Australian dollars.

**Adjustments** has the meaning given in Section 3.5.

**Alto Capital** means ACNS Capital Markets Pty Ltd trading as Alto Capital (ABN 93 088 503 208) (AFSL: 279099).

**Applicant** means a person who submits an Application Form.

**Application** means a valid application for Placement Options made on an Application Form.

**Application Form** means the application form accompanying this Prospectus relating to the Offer.

**ASIC** means Australian Securities and Investments Commission.

**ASX** means ASX Limited ACN 008 624 691 and where the context permits the Australian Securities Exchange operated by ASX Limited.

**ASX Settlement** means ASX Settlement Pty Limited ACN 008 504 532.

**ASX Settlement Operating Rules** means ASX Settlement Operating Rules of ASX Settlement.

**Board** means the Directors meeting as a board.

**Business Day** means Monday to Friday inclusive, other than a day that ASX declares is not a business day.

**CHES** means ASX Clearing House Electronic Subregister System.

**Closing Date** has the meaning given to it in Section 1.3.

**Company** or **HTG** means Harvest Technology Group Limited (ACN 149 970 445).

**Constitution** means the constitution of the Company as at the date of this Prospectus.

**Corporations Act** means *Corporations Act 2001* (Cth), as amended or modified from time to time.

**Director Placement Options** means 6,666,666 free-attaching Options proposed to be issued to the Participating Directors under the Placement subject to Shareholder approval.

**Director Placement Shares** means 6,666,666 Shares proposed to be issued to the Participating Directors under the Placement subject to the approval of Shareholders.

**Director Securities** means the Director Placement Shares and Director Placement Options.

**Directors** mean the directors of the Company as at the date of this Prospectus.

**Electronic Prospectus** means the electronic copy of this Prospectus located at the Company's website <https://harvest.technology/investors/>.

**EMEA** means Europe, the Middle East and Africa.

**Group** means HTG and any entity that it controls for the purpose of section 50AA of the Corporations Act (but read as though that section did not exclude fiduciary holdings where the relevant holdings are held for the ultimate benefit of HTG) or any other entity which is consolidated in the consolidated financial statements of HTG.

**Issuer Sponsored** means Shares issued by an issuer that are held in uncertified form without the holder entering into a sponsorship agreement with a broker or without the holder being admitted as an institutional participant in CHESS.

**Lead Manager** means the lead manager of the Placement, being Alto Capital.

**Lead Manager Fee** has the meaning given in Section 5.10.

**Lead Manager Mandate** has the meaning given in Section 5.10.

**Listing Rules** means the listing rules of ASX.

**Offer** means the offer of Placement Options under this Prospectus.

**Official List** means the official list of ASX.

**Official Quotation** means quotation of Securities on the Official List.

**Opening Date** has the meaning given to it in Section 1.3.

**Option** means the right to acquire one Share in the capital of the Company.

**Participating Directors** has the meaning given in Section 1.1.

**Placement** has the meaning given in Section 1.1.

**Placement Shares** means the 38,520,166 Shares issued under the Placement.

**Placement Options** means the 38,520,166 free attaching quoted Options offered under this Prospectus to participants in the Placement, exercisable at \$0.25 per Option and expiring 24 months from the date of issue.

**Prospectus** means this prospectus dated 30 March 2022.

**Section** means a Section of this Prospectus.

**Securities** mean any securities including Shares or Options issued or granted by the Company.

**Share** means a fully paid ordinary share in the capital of the Company.

**Share Registry** means Computershare Investor Services Pty Limited (ABN 48 078 279 277).

**Shareholder** means a holder of Shares.

**Vroon Dispute** has the meaning given in Section 4.1(r).

**WST** means Western Standard Time.