



15 June 2018

The Manager Announcements
Company Announcements Office
ASX Limited
20 Bridge Street
SYDNEY NSW 2000

Dear Sir/Madam

**NOTICE UNDER SECTION 708A(5)(e) OF THE CORPORATIONS ACT 2001 (CTH)
("Act")**

The Company gives this notice pursuant to Section 708A(5)(e) of the Act and an instrument of relief granted by the Australian Securities and Investments Commission on 6 June 2018 (copy attached) in relation to the issue of Shares as set out in the Company's Appendix 3B dated 15 June 2018.

The Company issued the 6,547,619 Shares without disclosure to investors under Part 6D.2 of the Act.

The Company, as at the date of this notice, has complied with:

- (a) the provisions of Chapter 2M of the Act as they apply to the Company; and
- (b) section 674 of the Act.

As at the date of this notice, there is no information to be disclosed that is excluded information under section 708A(7) of the Act, that is reasonable for investors and their professional advisers to expect to find in a disclosure document other than as set out in this notice.

Yours faithfully,

A handwritten signature in black ink, appearing to read "Peter Hatfull".

Peter Hatfull
Algae.Tec Limited
Company Secretary

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**Australian Securities and Investments Commission
Corporations Act 2001 – Paragraph 741(1)(b) – Declaration**

Enabling legislation

1. The Australian Securities and Investments Commission (ASIC) makes this instrument under paragraph 741(1)(b) of the *Corporations Act 2001 (Act)*.

Title

2. This instrument is ASIC Instrument 18-0501.

Commencement

3. This instrument commences on 6 June 2018.

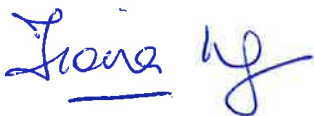
Declaration

4. Chapter 6D of the Act applies to an issue of ordinary shares in Algae.Tec Limited ACN 124 544 190 (**Company**) as if paragraph 708A(5)(b) of the Act was modified by deleting the words “5 days” and substituting the words “7 days”.

Where this instrument applies

5. This instrument applies to an issue of fully paid ordinary shares in the Company (**Shares**) where:
 - a. the Shares are issued between the date of this instrument and 30 July 2018 on the conversion by the Company of convertible securities issued on 25 July 2017 to L1 Capital Global Opportunities Fund; and
 - b. trading in the Shares on the ASX is not suspended at any time during the period between the date of this instrument and 30 July 2018; and
 - c. in relation to each relevant issue, the Company has given ASX Limited ACN 008 624 691 a notice under paragraph 708A(5)(e) of the Act that complies with subsection 708A(6) of the Act.

Dated this 6th day of June 2018



Signed by Fiona Ng
as a delegate for the Australian Securities and Investments Commission

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 01/07/96 Origin: Appendix 5 Amended 01/07/98, 01/09/99, 01/07/00, 30/09/01, 11/03/02, 01/01/03, 24/10/05, 01/08/12

Name of entity

ALGAE.TEC LIMITED

ABN

16 124 544 190

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

- | | | |
|---|--|-------------------------------------|
| 1 | +Class of +securities issued or to be issued | Fully paid ordinary shares (Shares) |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | 6,547,619 |
| 3 | Principal terms of the +securities (eg, if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | Shares |

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Appendix 3B
New issue announcement

4	Do the ⁺ securities rank equally in all respects from the date of allotment with an existing ⁺ class of quoted ⁺ securities?	All shares rank equally in all respects from the date of issue with the existing class of fully paid ordinary shares
	<p>If the additional securities do not rank equally, please state:</p> <ul style="list-style-type: none"> • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment 	
5	Issue price or consideration	Issued at a conversion price of \$0.021
6	Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)	6,547,619 shares issued on conversion of convertible notes issued to L1 Capital Global Opportunities Master Fund.
6a	Is the entity an ⁺ eligible entity that has obtained security holder approval under rule 7.1A?	Yes
	If Yes, complete sections 6b – 6h <i>in relation to the ⁺securities the subject of this Appendix 3B</i> , and comply with section 6i	
6b	The date the security holder resolution under rule 7.1A was passed	30 November 2017
6c	Number of ⁺ securities issued without security holder approval under rule 7.1	N/A
6d	Number of ⁺ securities issued with security holder approval under rule 7.1A	N/A
6e	Number of ⁺ securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)	N/A
6f	Number of securities issued under an exception in rule 7.2	6,547,619

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6g If securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the issue date and both values. Include the source of the VWAP calculation.

N/A

6h If securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements

N/A

6i Calculate the entity's remaining issue capacity under rule 7.1 and rule 7.1A – complete Annexure 1 and release to ASX Market Announcements

Remaining 7.1 capacity – 135,873,083
Remaining 7.1A capacity – 90,582,055

7 Dates of entering +securities into uncertificated holdings or despatch of certificates

14 June 2018

8 Number and +class of all +securities quoted on ASX (*including* the securities in section 2 if applicable)

Number	+Class
770,929,610	Ordinary Shares
210,092,326	Quoted options exercise price of \$0.05 expiring 28 July 2020
134,890,940	Ordinary shares scrowed to 5 April 2019

Number and +class of all +securities not quoted on ASX (*including* the securities in section 2 if applicable)

Number	+Class
28,728,607	Unlisted options exercisable at \$0.1636 on or before 20 January 2019
1	Convertible Note maturing on 9 July 2016 with a conversion price at \$0.075 and subject to adjustments in accordance with the terms and conditions of the Convertible Notes.
16,000,000	Unlisted options exercisable at \$0.09 on or before 30 June 2019
1	Convertible Note: <ul style="list-style-type: none"> • Face value of US\$166,667 • A maturity date of 36 months from date of issue • Interest rate of 10% per annum • The note can be converted into shares at a conversion price that is the lower of <ul style="list-style-type: none"> • \$0.05 per share • A 10% discount to the 5 day VWAP prior to the date of conversion

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1	<p>Convertible Note:</p> <ul style="list-style-type: none"> • Face value of US\$166,666 • A maturity date of 36 months from date of issue • Interest rate of 10% per annum • The note can be converted into shares at a conversion price that is the lower of <ul style="list-style-type: none"> • \$0.05 per share • A 10% discount to the 5 day VWAP prior to the date of conversion
1	<p>Convertible Note:</p> <ul style="list-style-type: none"> • Face value of US\$166,667 • A maturity date of 36 months from date of issue • Interest rate of 10% per annum • The note can be converted into shares at a conversion price that is the lower of <ul style="list-style-type: none"> • \$0.05 per share • A 10% discount to the 5 day VWAP prior to the date of conversion
26,978,188	<p>Unlisted options exercisable at \$0.075 on or before 31 December 2020, escrowed to 5 April 2019.</p>

10 Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests) No dividend policy established

Part 2 - Bonus issue or pro rata issue N/A

11 Is security holder approval required? N/A

12 Is the issue renounceable or non-renounceable? N/A

13 Ratio in which the ⁺securities will be offered N/A

14 ⁺Class of ⁺securities to which the offer relates N/A

15 ⁺Record date to determine entitlements N/A

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16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	N/A
17	Policy for deciding entitlements in relation to fractions	N/A
18	Names of countries in which the entity has ⁺ security holders who will not be sent new issue documents <small>Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.</small>	N/A
19	Closing date for receipt of acceptances or renunciations	N/A
20	Names of any underwriters	N/A
21	Amount of any underwriting fee or commission	N/A
22	Names of any brokers to the issue	N/A
23	Fee or commission payable to the broker to the issue	N/A
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of ⁺ security holders	N/A
25	If the issue is contingent on ⁺ security holders' approval, the date of the meeting	N/A
26	Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled	N/A
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	N/A
28	Date rights trading will begin (if applicable)	N/A
29	Date rights trading will end (if applicable)	N/A
30	How do ⁺ security holders sell their entitlements <i>in full</i> through a broker?	N/A

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- 31 How do ⁺security holders sell *part* of their entitlements through a broker and accept for the balance? N/A
- 32 How do ⁺security holders dispose of their entitlements (except by sale through a broker)? N/A
- 33 ⁺Despatch date N/A

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

34 Type of securities
(tick one)

(a) Securities described in Part 1

(b) All other securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

35 If the ⁺securities are ⁺equity securities, the names of the 20 largest holders of the additional ⁺securities, and the number and percentage of additional ⁺securities held by those holders

36 If the ⁺securities are ⁺equity securities, a distribution schedule of the additional ⁺securities setting out the number of holders in the categories
1 - 1,000
1,001 - 5,000
5,001 - 10,000
10,001 - 100,000
100,001 and over

37 A copy of any trust deed for the additional ⁺securities

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Entities that have ticked box 34(b)

38 Number of securities for which
+quotation is sought

39 Class of +securities for which
quotation is sought

40 Do the +securities rank equally in all
respects from the date of allotment
with an existing +class of quoted
+securities?

If the additional securities do not
rank equally, please state:

- the date from which they do
- the extent to which they
participate for the next dividend,
(in the case of a trust,
distribution) or interest payment
- the extent to which they do not
rank equally, other than in
relation to the next dividend,
distribution or interest payment

41 Reason for request for quotation
now

Example: In the case of restricted securities, end of
restriction period

(if issued upon conversion of
another security, clearly identify that
other security)

	Number	+Class
42 Number and +class of all +securities quoted on ASX (including the securities in clause 38)		

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Quotation agreement

1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.

2 We warrant the following to ASX.

- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
- There is no reason why those +securities should not be granted +quotation.
- An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
- If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

4 We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.



Sign here: Date: 15 June 2018
(Director/Company secretary)

Print name: Peter Hatfull
=====

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Appendix 3B – Annexure 1

Calculation of placement capacity under rule 7.1 and rule 7.1A for +eligible entities

Introduced 01/08/12

N/A

Part 1

Rule 7.1 – Issues exceeding 15% of capital	
Step 1: Calculate “A”, the base figure from which the placement capacity is calculated	
Insert number of fully paid ordinary securities on issue 12 months before date of issue or agreement to issue	353,105,151
<p>Add the following:</p> <ul style="list-style-type: none"> • Number of fully paid ordinary securities issued in that 12 month period under an exception in rule 7.2 • Number of fully paid ordinary securities issued in that 12 month period with shareholder approval • Number of partly paid ordinary securities that became fully paid in that 12 month period <p><i>Note:</i></p> <ul style="list-style-type: none"> • <i>Include only ordinary securities here – other classes of equity securities cannot be added</i> • <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i> 	2,098,958 Shares (03/07/17) 30,541,249 Shares (10/08/17) 134,608,147 Shares (14/08/17) 770,831 Shares (14/08/17) 46,244,266 Shares (21/08/17) 4,672,166 Shares (28/08/17) 63,953 Shares (11/09/17) 25,500,000 Shares (29/09/17) 26,367,500 Shares (13/10/17) 236,578 Shares (25/01/18) 2,062,500 Shares (25/01/18) 5,000,000 Shares (25/01/18) 62,263,422 Shares (25/01/17) 7,500,000 Shares (16/02/18) 134,890,940 Shares (03/04/18) 6,547,619 Shares (14/06/18) Total: 552,715,399
Subtract the number of fully paid ordinary securities cancelled during that 12 month period	
“A”	905,820,550

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Step 2: Calculate 15% of "A"	
"B"	0.15 <i>[Note: this value cannot be changed]</i>
Multiply "A" by 0.15	135,873,082
Step 3: Calculate "C", the amount of placement capacity under rule 7.1 that has already been used	
<p>Insert number of equity securities issued or agreed to be issued in that 12 month period <i>not counting</i> those issued:</p> <ul style="list-style-type: none"> • Under an exception in rule 7.2 • Under rule 7.1A • With security holder approval under rule 7.1 or rule 7.4 <p>Note:</p> <ul style="list-style-type: none"> • <i>This applies to equity securities, unless specifically excluded – not just ordinary securities</i> • <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i> 	0
"C"	-
Step 4: Subtract "C" from ["A" x "B"] to calculate remaining placement capacity under rule 7.1	
"A" x 0.15 <i>Note: number must be same as shown in Step 2</i>	135,873,082
Subtract "C" <i>Note: number must be same as shown in Step 3</i>	0
Total ["A" x 0.15] – "C"	135,873,083

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Part 2

Rule 7.1A – Additional placement capacity for eligible entities	
Step 1: Calculate “A”, the base figure from which the placement capacity is calculated	
“A” <i>Note: number must be same as shown in Step 1 of Part 1</i>	905,820,550
Step 2: Calculate 10% of “A”	
“D”	0.10 <i>Note: this value cannot be changed</i>
Multiply “A” by 0.10	90,582,055
Step 3: Calculate “E”, the amount of placement capacity under rule 7.1A that has already been used	
Insert number of equity securities issued or agreed to be issued in that 12 month period under rule 7.1A <i>Notes:</i> <ul style="list-style-type: none"> • <i>This applies to equity securities – not just ordinary securities</i> • <i>Include here – if applicable – the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>Do not include equity securities issued under rule 7.1 (they must be dealt with in Part 1), or for which specific security holder approval has been obtained</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i> 	-
“E”	0

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Step 4: Subtract "E" from ["A" x "D"] to calculate remaining placement capacity under rule 7.1A	
"A" x 0.10 <i>Note: number must be same as shown in Step 2</i>	90,582,055
Subtract "E" <i>Note: number must be same as shown in Step 3</i>	-
Total ["A" x 0.10] – "E"	90,582,055 <i>Note: this is the remaining placement capacity under rule 7.1A</i>

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