

28 July 2025

Entitlement Offer Fully Underwritten

Hydrocarbon Dynamics Limited (“HCD”) (**ASX:HCD**) is pleased to announce that the Entitlement Offer announced on 17th July 2025 is now fully underwritten.

Directors Mr Mitchell, Mr Shorrocks and Peloton Capital Pty Ltd have provided the underwriting with a substantial shareholder contributing as a sub underwriter.

Further details are outlined in the Supplementary Entitlement Offer below.

The indicative timetable for the Entitlement Offer:

Event	Date
Announcement of the Entitlement Offer	Thursday, 17 July 2025
Shares traded on an “ex” entitlement basis	Tuesday, 22 July 2025
Record Date for eligibility to participate in the Entitlement Offer	Wednesday, 23 July 2025
Dispatch of Entitlement Offer Booklet and Acceptance Form Eligible	Friday, 25 July 2025
Entitlement Offer opens	Friday, 25 July 2025
Last date to extend the offer closing date	Tuesday, 12 August 2025
Entitlement Offer closes	Friday, 15 August 2025
Securities quoted on a deferred settlement basis	Monday, 18 August 2025
Shortfall (if any) announced to ASX	Wednesday, 20 August 2025
Settlement of New Shares under the Entitlement Offer	Thursday, 21 August 2025
Issue of New Shares under Entitlement Offer	Friday, 22 August 2025
Dispatch of Holding Statements	Friday, 22 August 2025

Approved for release by the board of Directors.

For further information please contact:

Stephen Mitchell
Chairman

Julie Edwards
Company Secretary

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Website: www.hydrocarbodynamics.com

ASX code: HCD

Supplementary Entitlement Offer

Important Information

This is an update on the Entitlement Offer that is intended to be read in conjunction with the Entitlement Offer Booklet dated 25 July 2025 (**Offer**) issued by Hydrocarbon Dynamics Limited (**Company**).

Other than as set out below, all details in relations to the Offer remain unchanged. Unless the context otherwise requires, defined terms used in this update have the same meanings as given to them in the Offer. If there is a conflict between the Offer and this update, this update will prevail.

The Offer and this update may be accessed at <https://www.hcdinvestor.com>.

This is an important document and should be read in its entirety. If you do not understand it, you should consult your professional advisers without delay.

The Directors believe that the changes in this update are not materially adverse from the point of view of an investor. However, if you have already subscribed for New Shares under this Offer you can apply for a refund by emailing the company secretary at juliee@lowell.net.au.

Purpose of this information

The Company makes the amendment to the Entitlement Offer to provide details of the full underwriting of the entitlement offer. The amendments to the Entitlement Offer outlined below should be read in conjunction with Offer.

Amendment to the Entitlement Offer

The Entitlement Offer will be fully underwritten. First underwriters, Mr Shorrocks through his related party Spring Street Pty Ltd and Mr Mitchell through his related party Malangi Pty Ltd will underwrite to the value of \$100,000 each. Mr Shorrock and Mr Mitchell are directors of the Company.

Peloton Capital Pty Ltd will underwrite the balance being \$518,739.52 which will be sub-underwritten by Stirling McGregor Super Pty Ltd to the value of \$125,000.

No sub underwriting fees will be payable to Mr Mitchell or Mr Shorrocks or their related parties. An underwriting fee of \$43,124.37 will be payable to Peloton Capital and Peloton Capital will be issued 5,000,000 unlisted options exercisable at \$0.005 and expiring two years from the date of issue.

The obligation of the Underwriters to underwrite the Entitlement Offer is subject to certain conditions and events of termination pursuant to the Underwriting Agreement. The Underwriter may terminate its obligations under the Underwriting agreement if:

- (a) Contravention of constitution or Act: a contravention by a relevant company of any provision of its constitution, the Corporations Act, the ASX Listing Rules or any other applicable legislation or any policy or requirement of ASIC or ASX;

- (b) Adverse change: an event occurs which gives rise to a material adverse effect or any adverse change or any development including a prospective adverse change after the date of the Underwriting Agreement in the assets, liabilities, financial position, trading results, profits, forecasts, losses, prospects, business or operations of any relevant company including, without limitation, if any forecast in the Offer booklet becomes incapable of being met or in the Underwriter's reasonable opinion, unlikely to be met in the projected time;
- (c) Significant change: a "new circumstance" as referred to in section 719(1) of the Corporations Act arises that is materially adverse from the point of view of an investor;
- (d) Official Quotation qualified: the official quotation is qualified or conditional other than as set out in the definition of "Official Quotation" in the Underwriting Agreement;
- (e) Change in Act or policy: there is introduced, or there is a public announcement of a proposal to introduce, into the Parliament of Australia or any of its States or Territories any Act or prospective Act or budget or the Reserve Bank of Australia or any Commonwealth or State authority adopts or announces a proposal to adopt any new, or any major change in, existing, monetary, taxation, exchange or fiscal policy;
- (f) Suspension of debt payments: the Company suspends payment of its debts generally;
- (g) Event of Insolvency: an event of insolvency occurs in respect of a relevant company;
- (h) Judgment against a relevant company: a judgment in an amount exceeding \$25,000 is obtained against a relevant company and is not set aside or satisfied within 7 days;
- (i) Litigation: litigation, arbitration, administrative or industrial proceedings are after the date of the Underwriting Agreement commenced or threatened against any relevant company, other than any claims foreshadowed in the Offer Document;
- (j) Board and senior management composition: there is a change in the composition of the board of HCD or a change in the senior management of the Company before completion of the Entitlement Offer without the prior written consent of the Underwriter;
- (k) Change in shareholdings: there is a material change in the major or controlling shareholdings of a relevant company or a takeover offer or scheme of arrangement pursuant to Chapter 5 or 6 of the Corporations Act is publicly announced in relation to a relevant company;
- (l) Timetable: there is a delay in any specified date in the timetable which is greater than 7 Business Days;
- (m) Force Majeure: a force majeure affecting the Company's business or any obligation under the Underwriting Agreement lasting in excess of 7 days occurs;
- (n) Certain resolutions passed: a relevant company passes or takes any steps to pass a resolution under section 254N, section 257A or section 260B of the Corporations Act or a resolution to amend its constitution without the prior written consent of the Underwriter;
- (o) Capital Structure: any relevant company alters its capital structure in any manner not contemplated by the Offer Booklet;

- (p) Market Conditions: a suspension or material limitation in trading generally on ASX occurs or any material adverse change or disruption occurs in the existing financial markets, political or economic conditions of Australia, Japan, the United Kingdom, the United States of America or other international financial markets.

The relevant interests of each underwriter and sub underwriter in securities of the Company at the date of this update are set out in the table below.

Underwriter/sub-underwriter	Current shares held	Total issued capital pre-offer
Stephen Mitchell and related parties	119,081,702	11.05%
Ray Shorrocks and related parties	36,462,050	3.38%
Stirling McGregor Super Pty Ltd	159,082,428	14.76%
Peloton Pty Ltd	Nil	-

The maximum number of shares that could be held if all entitlement rights are taken up by the underwriters and sub underwriters and underwritten shares are issued, are set out in the table below.

Underwriter/sub-underwriter	Potential shares held	Total issued capital post-offer
Stephen Mitchell and related parties	208,775,603	14.52%
Ray Shorrocks and related parties	98,614,733	6.86%
Stirling McGregor Super Pty Ltd	274,609,904	19.1%
Peloton Pty Ltd	259,369,760*	18.04%

*assumes no shares are taken up under the Entitlement Offer