

6 October 2017

\$1.2M CAPITAL RAISING

Highlights

- Firm commitments received for a \$1.2m capital raising, including \$110k of director participation
- \$500k investment by existing shareholder and Chinese pharmaceutical and traditional medicine group – TRT Investments Pty Ltd
- Funds to be used to complete the Meluka Health investment

EVE Investments Ltd (ASX:EVE), an ASX-listed technology investment company, is pleased to announce it has received strong support for a capital raising, with firm bids received to complete a \$1.2m capital raising to fund completion of the Meluka Health transaction. The first tranche of shares for \$1.1m to unrelated parties are expected to be issued by 13 October 2017. With a second tranche to directors to be issued subject to shareholder approval at the upcoming Annual General Meeting of the Company. TRT Investments Pty Ltd (“TRT”) has subscribed for \$0.5m of the placement.

Red Leaf Securities has acted as lead manager for the placement, which will be conducted at 0.5 cents and shares will be issued within the Company’s 15% capacity under ASX Listing Rule 7.1. Placement participants will also be entitled to a 1 for 2 unlisted option, exercisable at 0.6 cents by 31 December 2018. The placement options will be issued subject to shareholder approval.

TRT Investments Pty Ltd

TRT is one of China’s oldest pharmaceutical and traditional chinese medicine (TCM) enterprises. It specialises in research and development, production and sales of TCM and owns two pharmaceutical production and sale enterprises – TRT and Hongrentang which are recognised as two of the forty-three time-honoured pharmaceutical brands granted by the Ministry of Commerce.

TRT and Hongrentang hold a combined number of 99 valid drug approvals, including a national-protected variety, 20 exclusive varieties and 29 drugs that are included in China’s national medical insurance.

TRT has a well-developed, extensive distribution network throughout China and its participation in this capital raising to increase its stake in Eve Investments represents a desire to access Omni Innovation and Meluka Health’s product mix for its distribution network.

Meluka Health Transaction Details

The transaction with Meluka will see EVE invest \$740k (less \$100k previously paid as a deposit) into Meluka Health for a 50% equity interest.

Meluka Health will own 100% of EcoBotanicals Pty Ltd and it will also own 66.66% of Medic Honey Pty Ltd (Medic Honey) a honey production company, with the remaining 33.33% being held by partner Wayne Fuller, Australia’s largest organic honey producer. At completion of the deal Meluka Health will retain \$500k for use in development and production of its Meluka honey and medicinal cannabis honey products, with an initial focus on distribution of these products into the US market.

Meluka Health will also hold option agreements with lengths between six to twelve months on other assets such as the Jendale and Robynda tea tree plantations and the manufacturing facility that EcoBotanicals operates from.

Additionally, there is an option agreement over Naturally Australian Products Inc, a US distributor of essential oils and extracts.

The conditions precedent to the transaction include a corporate restructure so that Meluka Health is the unencumbered holder of the above assets, entering into option agreements for the aforementioned assets, agreement of terms for a Shareholder Agreement and entering into lease, supply and distribution agreements with key parties. The date for completion or waiver of the conditions precedent has been extended to 20 October 2017.

EVE still retains the right to manage an intended Initial Public Offering (IPO) process for Meluka Health within a 12 to 18 month timeline. EVE shareholders will receive a preferential entitlement to participate in the Meluka Health IPO.

Director Appointment

As part of the investment by TRT, the Company will appoint a nominee of TRT to the Company's Board as a Non-Executive Director.

For more information:

Ben Rohr
Investment Director
+61 8 6465 5500
benr@eveinvestments.com.au

About EVE Investments

EVE Investments is an Australian Securities Exchange Listed Investment Company that invests in technology companies. With a preference for companies that have global scale, EVE is an investment partner that wants to help build ground breaking and enduring technology.

For more information, please visit www.eveinvestments.com.au and follow us on Twitter @EVEInvestments