

16 September 2009

Share Placement to Raise \$2.5m

The Directors of Holista CollTech Limited (ASX: HCT) (“the Company” or “Holista”) are pleased to advise that the Company has placed 16,666,667 new shares in the Company at \$0.15 per share to qualified investors to raise \$2.5m before costs.

The placement will consist of an immediate issue of 9,833,333 new shares pursuant to the discretionary capacity of the Directors under ASX Listing Rule 7.1. The balance of the placement, being 6,833,334 shares, is subject to approval by shareholders at the Company’s forthcoming Annual General Meeting, which is proposed to be held in late October 2009.

Funds raised under this placement will be used to finalise the development of ovine food grade collagen. Food grade collagen is lower in profit margins compared to medical collagen but has much higher volumes and faces lesser regulatory barriers for commercialization. It is also expected to hit the market sooner than the medical of collagen range – in the 2nd quarter of 2010.

This represents a major strategic shift that is market driven. Food grade collagen is very popular in ASEAN, China, Taiwan and Japan. This will also bring about better recognition of ovine collagen – the niche advantage of the company. Part of the funds will be used to facilitate the development work of food grade collagen.

Another part of the raised capital will be used to develop global markets for some of the new and exciting technologies and platform patents that the Company has obtained global rights to distribute and market products in the following categories; food ingredients and anti-infectives, rainforest herbs and health ingredients

Commenting on the capital raising, Holista CollTech’s Managing Director Dato’ Dr. Rajen M said “this significant capital raising will allow the company to move faster independent of grants. This will also allow us to have a faster global rollout of some core technologies that are now ready for commercialization. We are confident that sales from these global technologies and what will arise from the food grade collagen will significantly increase our cash flow to facilitate our continued growth throughout 2010 and beyond. I am enthused by the long term view taken by our investors and possibilities offered by our new restructured business”.

-Ends-

About Holista CollTech Limited (ASX: HCT)

Holista CollTech Ltd is a merger of Holista Biotech Sdn Bhd and CollTech Australia Ltd focusing on natural ingredients for health supplements and lifestyle products. The company is the only producer of sheep (ovine) collagen using its patented extraction methods and is on track to develop a nano-encapsulated Ovine Collagen. Holista CollTech leads in research on herbs and food ingredients from Malaysia's rainforest – the oldest in the world. The company's mission is to build a world class company, focus on providing consumers with scientifically enhanced, engineered and tested natural health supplements and consumer products." The company is listed on the Australian

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