

HiTec Energy Limited

ASX RELEASE - 22 JULY 2009

\$1.3M SHARE PLACEMENT

HiTec is pleased to announce that it has successfully secured commitments for a placement, under the Company's 15% placement capacity under ASX Listing Rule 7.1 ("**Placement**"). The Placement is for 65 million shares at 2 cents per share to raise \$1.3m. The shares will be placed with institutional and sophisticated retail investors, with Taylor Collison Limited as the lead manager receiving a fee of 5% on the capital raised.

An additional fee will be payable to Garrison Capital Pty Ltd (or its nominees) in the form of five million options in the Company having an exercise price of 3 cents and an expiry date of 31 December 2011. These options are for corporate advisory services provided in connection with the capital raising and will be subject to the approval of the Company's shareholders in general meeting.

PROPOSED SHARE PURCHASE PLAN

The Company also intends to provide eligible shareholders with the opportunity to acquire further shares up to a value of \$10,000, at the same 2 cent issue price as the Placement, under a Share Purchase Plan ("**SPP**") having a record date of 22 July 2009. (NB: As the total number of shares that can be offered under the SPP is limited to 30% of the Company's shares on issue, HiTec reserves the right to scale back applications should this be necessary.) Full details of the SPP offer will be advised as soon as all necessary arrangements are in place. The formal terms and conditions of the SPP will be set out in the offer document which will accompany the application form.

USE OF FUNDS RAISED

Funds raised under the share placement and share purchase plan will be used to meet:

- commitments to the Port Hedland Port Authority under the recently signed and announced Utah Point Facilitation Agreement;
- working capital requirements relating to the sale of manganese ore now stockpiled at Ant Hill; and
- development costs for the Ant Hill manganese mine.



Alan Scott (Managing Director)

HiTec Energy Limited (ABN 38 009 113 160)

(HiTec Energy Limited is alternatively referred to in this document as "HiTec" or "the Company")

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