

17 February 2017

ASX WAIVER DECISION

As announced on 23 November 2016, Freshtel Holdings Limited (to be renamed "Field Solutions Holdings Limited") (ACN 111 460 121) (ASX:FRE) (**Company**) has entered into a conditional binding heads of agreement to acquire 100% of the issued shares in Field Solutions Group Pty Ltd (**FSG**) from the shareholder of FSG (**Acquisition**).

As part of the Acquisition and for the purposes of re-complying with Chapters 1 and 2 of the ASX Listing Rules, the Company is proposing to undertake a capital raising by issuing up to 133,333,333 fully paid ordinary shares (on a post consolidation basis) (**Shares**) at \$0.03 per Share under a public offer to raise up to \$4,000,000 via a prospectus (subject to Shareholder approval) (**Capital Raising**).

The Company recently applied to the ASX for a waiver to conduct the Capital Raising at an issue price at no less than \$0.02 per Share. The Company is pleased to announce that ASX has granted the waiver from ASX Listing Rules 2.1 condition 2 as follows:

"DECISION

1. *Based solely on the information provided, in connection with the acquisition by Freshtel Holdings Limited (the "Company") of 100% of the issued capital in Field Solutions Group Pty Ltd ("FSG") (the "Acquisition") and the public offer to raise up to \$4,000,000 by the issue of up to 133,333,333 ordinary shares at an issue price of \$0.03 per share ("Capital Raising"), ASX Limited ("ASX") grants a waiver from listing rule 2.1 condition 2 to the extent necessary to permit the issue price of at least 100,000,000 and up to 133,333,333 ordinary shares proposed to be issued as part of the Capital Raising ("Capital Raising Shares") not to be at least \$0.20 per share, on the following conditions.*
 - 1.1.1. *The issue price of the Capital Raising Shares is at least \$0.02 per share;*
 - 1.1.2. *The Company's shareholders approve the issue price of the Capital Raising Shares in conjunction with the approval obtained under listing rule 11.1.2 in respect of the Acquisition; and*
 - 1.1.3. *The terms of the waiver are immediately disclosed to the market.*
 - 1.1.4. *The terms of the Acquisition and Capital Raising have not materially changed (as determined by ASX in its absolute discretion) from those as announced by the Company on 23 November 2016*
2. *ASX has considered the application of listing rule 2.1 condition 2 only and makes no statement as to the Company's compliance with other listing rules.*

BASIS FOR DECISION

3. *Standard waiver in accordance with ASX policy."*

Shareholders will be given the opportunity to vote on the Acquisition (including the proposed Capital Raising) at the upcoming general meeting scheduled for 13 March 2017 and the Company intends on lodging its prospectus for the Capital Raising in the coming weeks.

For further information please contact:

Graham Henderson
Company Secretary
Australia +(61 3) 9946 5345