

Media release

26 February 2019

Tambla Announces Opening of Convertible Note Subscription

Australian intelligent workforce solutions company **Tambla Limited (ASX: TBL)** ('Tambla' or 'the Company') is pleased to advise that its Convertible Note subscription has opened today.

The Company is seeking to raise a minimum of \$1 million through this convertible note, and Kestrel Capital and clients of Taylor Collison have indicated they will subscribe for the minimum amount sought. As previously disclosed, Kestrel Capital is a related entity to Tambla directors, Niall Cairns and Phillip Carter. Taylor Collison is acting as Corporate Advisor to this transaction. The Company expects to complete the transaction on or about Friday 8 March 2019.

The key terms of the Convertible Note Subscription can be found in Schedule 1 attached to this announcement.

Funds from the convertible note subscription will be primarily invested in sales and marketing initiatives to accelerate the company's current growth plans. A portion of the funds will also be used to expand and develop the growing inbound opportunities from North America relating to the company's market leading business-rule interpretation engine.

About Tambla

Tambla is an innovative enterprise HR software company delivering cloud-first intelligent workforce solutions to organisations with large shift-based workforces. Tambla provides these companies with the tools to ensure visibility, optimisation and compliance of their workforces globally. Tambla supports more than 180 customers in over 5800 locations globally, including leading organisations within aviation, transportation, retail, hospitality and health.

Enquiries/Additional Information

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SCHEDULE 1

Key terms of the Notes

The key terms of the Notes are set out in the table below:

No	Item	Details
1.	Face Value	Each Note has a face value of A\$1.00 in total.
2.	Issue Date	Date of issue of Notes to the Noteholder.
3.	Maturity Date	30 June 2021.
4.	Shareholder approval	<p>The Notes contain conversion rights that are, where required, conditional on, and of no force and effect until, shareholder approval is obtained under Listing Rule 10.11 and Chapter 2E of the Corporations Act.</p> <p>If shareholder approval, where required, is not obtained the Notes remain a basic promissory note accruing interest as set out in item 5 below and being repayable on the Maturity Date.</p> <p>If shareholder approval is obtained, the terms set out in items 6 to 10 below become effective.</p>
5.	Interest	<p>Interest accrues at the rate of 10% per annum on each Note from (and including) Issue Date until (but excluding) the earlier of the date on which the holder converts the Note or the Maturity Date.</p> <p>Accrued interest will be paid by the Company quarterly in arrears and may, at the election of the Company, be capitalised and added to the outstanding amount on the Notes.</p>
6.	Conversion* This term becomes effective if shareholder approval is obtained.	<p>If a conversion notice is given by a holder of a Note at any time from the Issue Date until the Maturity Date, the Note will be converted into fully paid ordinary shares in the Company at a conversion price of the lower of \$0.02 per Share or the price which is at a 10% discount to the price at which any shares are issued under a capital raising, or a 20% discount to the price offered for shares under a Change of Control event (Conversion Shares). A minimum of 50,000 Notes must be converted in any given conversion.</p> <p>If the issue of any Conversion Shares would result in a breach of section 606 of the Corporations Act, the Company must issue the maximum number of Shares that may be issued so that section 606 is not breached and, at the election of the noteholder, either require the Company to convene and hold a meeting of Shareholders within 60 days to approve the issue of the additional shares or nominate such later date for the issue of additional shares so that section 606 is not breached.</p>

7.	<p>Quotation of Conversion Shares*</p> <p>This term becomes effective if shareholder approval is obtained.</p>	<p>The Company must do all things necessary or desirable to ensure that Conversion Shares are quoted on the ASX and will be freely tradable including by either providing to ASX a cleansing statement within 5 business days of the issue or lodging a prospectus with ASIC.</p>
8.	<p>Repayment on Maturity*</p> <p>This term becomes effective if shareholder approval is obtained.</p>	<p>The Company will provide the noteholder with a repayment notice within 10 business days before the Maturity Date. Upon receipt of the repayment notice, the noteholder may, at any time before the Maturity Date, issue a conversion notice to the Company requiring the conversion of the relevant Notes. If the noteholder does not provide a conversion notice prior to the maturity date the Company must repay the outstanding amount on the Notes (including all accrued interest) within 10 business days following the Maturity Date.</p>
9.	<p>Effect of reconstruction of capital*</p> <p>This term becomes effective if shareholder approval is obtained.</p>	<p>The conversion price and number of securities a holder is entitled to receive on exchange of their Notes will be appropriately adjusted in the event of a reorganisation, reconstruction, consolidation or sub-division of the capital of the Company.</p> <p>In the case of a bonus issue or pro-rata issue, the exercise price of the Options will be adjusted in accordance with the formula and criteria specified in the Agreement in accordance with the Listing Rules.</p>
10.	<p>Default Events*</p> <p>This term becomes effective if shareholder approval is obtained.</p>	<p>Upon the occurrence of certain default events, including the Company failing to pay amounts due under the agreement, the Company materially breaching the agreement and insolvency circumstances, the noteholder may accelerate the maturity date of the Notes to the date of written notice of the default event.</p>