



REPLACEMENT PROSPECTUS



TASMEA LIMITED | ACN 088 588 425

For an offer of approximately 37.8 million Shares, at an Offer Price of \$1.56 per Share to raise approximately \$59.0 million.

This is a replacement prospectus dated 28 March 2024. It replaces a prospectus dated 20 March 2024 relating to offers by Tasma Limited and Tasma SaleCo Limited.

Important Information

This is an important document and requires your immediate attention. It should be read in its entirety. Please consult your professional adviser(s) if you have any questions about this document.

Investment in the Shares offered pursuant to this Prospectus should be regarded as highly speculative in nature, and investors should be aware that they may lose some or all of their investment. Refer to Section 6 for information on the key risks associated with an investment in the Shares.

Joint Lead Managers & Underwriters

UNIFIED
CAPITAL PARTNERS

morgans

Joint Lead Manager

ShawandPartners
Financial Services

Corporate Advisor



Legal Advisor

Thomson Geer
Lawyers

IMPORTANT INFORMATION

Offer

The Offer contained in this Prospectus is an invitation for eligible Applicants to apply for fully paid ordinary shares (**Shares**) in Tasmae Limited (ACN 088 588 425) (**Tasmae** or **Company**).

This Prospectus is issued by the Company and Tasmae SaleCo Limited (ACN 670 255 875) (**SaleCo**) for the purposes of Chapter 6D of the Corporations Act. See Section 4 for further information on the Offer, including details of the securities that will be issued and transferred under this Prospectus.

Lodgement and Listing

This Prospectus is dated, and was lodged with ASIC on, 28 March 2024. This Prospectus is a replacement prospectus and makes changes to the original prospectus dated 20 March 2024. The Company will apply to the Australian Securities Exchange (**ASX**) within seven (7) days of the Prospectus Date for admission of the Company to the Official List and Official Quotation of its Shares (including the New Shares issued, and Sale Shares sold, pursuant to this Prospectus). Neither ASIC nor ASX (or their respective officers) take any responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates. The fact that the ASX may admit the Company to its Official List is not to be taken in any way as an indication of the merits of the Company or the Shares offered under this Prospectus.

Expiry Date

The expiry date of this Prospectus is 5:00pm (AWST) on that date which is thirteen (13) months after the Prospectus Date (**Expiry Date**). No Shares will be issued or sold on the basis of this Prospectus after the Expiry Date.

Exposure Period

This Prospectus will be circulated during the Exposure Period. The purpose of the Exposure Period is to enable this Prospectus to be examined by market participants prior to the raising of funds. You should be aware that

this examination may result in the identification of deficiencies in this Prospectus. In such circumstances, any Application that has been received may need to be dealt with in accordance with section 724 of the Corporations Act. Applications under this Prospectus will not be processed by the Company or SaleCo until after the Exposure Period. No preference will be conferred upon Applications received during the Exposure Period.

Prospectus Does Not Provide Investment Advice

The information contained in this Prospectus is not investment or financial product advice and does not take into account your investment objectives, financial situation or particular needs. This Prospectus should not be construed as financial, taxation, legal or other advice. Neither the Company nor SaleCo are licensed to provide financial product advice in respect of the Company's securities or any other financial products.

This Prospectus is important and should be read in its entirety prior to deciding whether to invest in Shares. There are risks associated with an investment in Shares and some of the key risks are set out in Section 6. You should carefully consider these risks in light of your personal circumstances (including financial and tax issues) and seek professional guidance from your stockbroker, solicitor, accountant, financial adviser or other independent professional adviser before deciding whether to invest in Shares. There may also be risks in addition to these that should be considered, including in light of your personal circumstances.

Except as required by law, and only to the extent required, no person named in this Prospectus, nor any other person, warrants or guarantees the Company's performance, the repayment of capital by the Company or any return on investment made pursuant to this Prospectus.

No person is authorised to give any information or to make any representation in connection with the Offer, other than as is contained in this Prospectus. Any information or representation not contained in

this Prospectus should not be relied on as having been made or authorised by the Company, the Directors, SaleCo, SaleCo Directors, the Joint Lead Managers, or any other person in connection with the Offer.

Foreign Investors

The Offer is being made in Australia. This Prospectus does not constitute an offer or invitation to apply for Shares in any place in which, or to any person to whom, it would not be lawful to make such an offer or invitation. No action has been taken to register or qualify the Shares, the Offer, or to otherwise permit a public offering of the New Shares or the Sale Shares, in any jurisdiction outside Australia. The Offer is not being extended to any investor outside Australia other than to certain Institutional Investors as part of the Institutional Offer, Broker Firm Offer and Priority Offer in certain jurisdictions as described in Sections 4.2 and 8.12, and to the extent otherwise determined by the Board, subject to applicable laws.

The distribution of this Prospectus (including in electronic form) outside Australia may be restricted by law and persons who come into possession of this Prospectus outside Australia should observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws. See Section 8.12 for information on international selling restrictions.

The Shares being offered pursuant to this Prospectus have not been, and will not be, registered under the US Securities Act of 1933, as amended (**US Securities Act**) or the securities laws of any state or other jurisdiction in the United States and may not be offered or sold in the United States except in transactions exempt from, or not subject to, the registration requirements of the US Securities Act and applicable US state securities laws. This Prospectus does not constitute an offer to sell, or the solicitation of an offer to buy, nor shall there be any sale of the Shares in any state or other jurisdiction in which such offer, solicitation or sale would be unlawful under applicable law.



Past Performance Information

This Prospectus includes information regarding past performance of the Company. Investors should be aware that past performance should not be relied upon as being indicative of future performance.

Electronic Prospectus and Application Forms

This Prospectus will generally be made available in electronic form on the Company's website <https://events.miraqle.com/tasmea-ipo>. Eligible persons having received a copy of this Prospectus in its electronic form may obtain an additional paper copy of this Prospectus and the relevant Application Form (free of charge) from the Company's registered office during the Offer Period by contacting the Company. Contact details for the Company and details of the Company's registered office are detailed in the Corporate Directory. The Offer contained in this Prospectus in electronic form is only available to persons receiving an electronic version of this Prospectus and relevant Application Form within Australia (unless otherwise determined by the Board, subject to applicable laws). The Corporations Act prohibits any person from passing on to another person the Application Form unless it is accompanied by or attached to a complete and unaltered copy of this Prospectus.

The electronic copy of this Prospectus available from the Company's website will not include an Application Form. The Company (or Joint Lead Managers) will provide this Prospectus together with the Application Form to persons selected to apply to participate in the Offer. Applicants must complete and return the Application Form with the requisite Application Monies by following the instructions detailed on the Application Form.

By returning the Application Form with the requisite Application Monies or making a payment of Application Monies you acknowledge that you have received and read this Prospectus and you have acted in accordance with the terms of the Offer detailed in this Prospectus.

Using this Prospectus

Persons wishing to apply for Shares offered by this Prospectus should read this Prospectus in its entirety in order to make an informed assessment of the assets and liabilities, financial position and performance, profits and losses, and prospects of the Company and the rights and liabilities attaching to the Shares offered pursuant to this Prospectus. If persons considering applying for Shares offered pursuant to this Prospectus have any questions, they should consult their stockbroker, solicitor, accountant or other professional adviser for advice.

Privacy Statement

To apply for Shares you will be required to provide certain personal information to the Company, SaleCo and the Share Registry. The Company, SaleCo and the Share Registry will collect, hold, use, disclose and otherwise handle your personal information in order to assess your Application, service your needs as an investor, provide facilities and services that you request and to carry out appropriate administration in relation to your Application and your needs as an investor. The Corporations Act, taxation law, and in some cases, local legislation outside of Australia, require some of this personal information to be collected. If you do not provide the information requested or do not consent to its collection, your Application may not be accepted, or may not be able to be processed efficiently, or at all.

By submitting an Application Form, each Applicant agrees that the Company may use the information provided by an Applicant on the Application Form for the purposes detailed in this Privacy Statement or as otherwise disclosed to you, and may disclose it for those purposes to the Share Registry, SaleCo, the Company's Related Bodies Corporate, agents, contractors and third party service providers, including mailing houses and professional advisers, and to ASX and regulatory authorities inside or outside of Australia, and as otherwise permitted or required by any applicable law.

If an Applicant becomes a Shareholder, the Corporations Act requires the Company to include information about the Shareholder (including name, address and details of the Shares held) in its public register. The Company's public register must also show the name and details of persons who cease to be a Shareholder within the last seven years. Information contained in the Company's register is also used to facilitate distribution payments and corporate communications (including the Company's financial results, annual reports and other information that the Company may wish to communicate to its Shareholders) and compliance by the Company with its legal and regulatory requirements.

In some cases, your personal information may be disclosed by the Company to recipients located in jurisdictions outside of Australia. These disclosures include on our Share register, to relevant regulatory authorities and to third parties described.

The Company's Privacy Policy at <https://tasmea.com.au/wp-content/uploads/2023/09/Privacy-Policy.pdf> includes additional information about the way the Company handles personal information, including how to seek access or correction of your personal information, and how to complain if you believe we have breached our privacy obligations and how we will handle your complaint. For further information you may also contact Marnie Robinson by email at legal@tasmea.com.au.

An Applicant has a right to gain access to the information that the Company and the Share Registry holds about that person subject to certain exemptions under law. A fee may be charged for access. Access requests must be made in writing to the Company to Tasmea's registered office, details of which are disclosed in the Corporate Directory. You can request access to your personal information by contacting the Share Registry as follows:

Phone: +61 1300 554 474

Address: Link Market Services Limited
Level 12
680 George Street
Sydney NSW 2000

DISCLAIMERS

Disclaimer and Forward-Looking Statements

No person is authorised to give any information or make any representation in connection with the Offer which is not contained in this Prospectus. Any information or representation not so contained may not be relied on as having been authorised by the Company, SaleCo, the Directors, the SaleCo Directors, the Joint Lead Managers or any other person in connection with the Offer. You should rely only on information in this Prospectus when deciding whether to invest in Shares. Except as required by law, and only to the extent so required, neither the Company nor any other person warrants or guarantees the future performance of the Company, or any return on any investment made pursuant to this Prospectus.

This Prospectus contains forward looking statements which are statements that may be identified by words such as 'may', 'will', 'would', 'should', 'could', 'believes', 'estimates', 'expects', 'intends', 'plans', 'anticipates', 'predicts', 'outlook', 'forecasts', 'guidance' and other similar words that involve risks and uncertainties. The Forecast Financial Information is an example of forward looking statements. These statements are based on an assessment of present economic and operating conditions and on a number of best estimate assumptions regarding future events and actions that, at the Prospectus Date, are expected to take place (including the key assumptions set out in Section 5).

No person who has made any forward looking statements in this Prospectus (including the Company) has any intention to update or revise forward looking statements, or to publish prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained in this Prospectus, other than to the extent required by law.

Such forward looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are

beyond the control of the Company, SaleCo, the Directors, the SaleCo Directors and management of the Company and SaleCo.

Forward looking statements should therefore be read in conjunction with, and are qualified by reference to, Section 5 and Section 6, and other information in this Prospectus. The Company and SaleCo cannot and do not give any assurance that the results, performance or achievements expressed or implied by the forward looking statements contained in this Prospectus will actually occur and investors are cautioned not to place undue reliance on these forward looking statements.

Morgans Corporate Limited
ABN 32 010 539 607, Unified Capital Partners Pty Ltd ABN 80 666 560 050 and Shaw and Partners Limited ACN 24 003 221 583 have acted as Joint Lead Managers to the Offer. The Joint Lead Managers have not authorised, permitted or caused the issue or lodgement, submission, dispatch or provision of this Prospectus and there is no statement in this Prospectus which is based on any statement made by any of them or by any of their respective affiliates or Related Bodies Corporate, or any of their respective officers, directors, employees, partners, advisers or agents. To the maximum extent permitted by law, the Joint Lead Managers, and their respective affiliates and Related Bodies Corporate, and any of their respective officers, directors, employees, partners, advisers or agents expressly disclaim all liabilities in respect of, make no representations regarding, and take no responsibility for, any part of this Prospectus other than references to their name and make no representation or warranty as to the currency, accuracy, reliability or completeness of this Prospectus.

Financial Information Presentation

All financial amounts contained in this Prospectus are expressed in Australian dollars unless otherwise stated. All references in this Prospectus to "\$", "AUD" or "A\$" are references to Australian dollars. Any discrepancies between totals and sums and

components in tables, figures and diagrams contained in this Prospectus are due to rounding.

Section 5 sets out in detail the Financial Information referred to in this Prospectus. The basis of preparation of the Financial Information is set out in Section 5.

The Historical Financial Information has been prepared and presented in accordance with the recognition and measurement principles of Australian Accounting Standards (AAS) (as adopted by the Australian Accounting Standards Board (AASB)), which comply with International Financial Reporting Standards (IFRS) and interpretations issued by the International Accounting Standards Board (IASB).

This Prospectus includes Forecast Financial Information based on the best estimate assumptions of the Directors. The basis of preparation and presentation of the Forecast Financial Information, to the extent relevant, is consistent with the basis of preparation and presentation of the Historical Financial Information. The Forecast Financial Information presented in this Prospectus is unaudited.

The Financial Information in this Prospectus should be read in conjunction with, and it is qualified by reference to, the information contained in Section 5 and Section 6.

All Financial Information contained in this Prospectus which relates to FY21, FY22 and FY23 has been audited.

Third Party Reports

This Prospectus includes attributed statements from books, journals and comparable publications that are not specific to, and have no connection with the Company. The authors of these books, journals and comparable publications have not provided their consent for these statements to be included in this Prospectus, and the Company is relying upon ASIC Corporations (Consents to Statements) Instrument 2016/72 for the inclusion of these statements in this Prospectus without such consent having been obtained.

Any statements, data or other contents referenced or attributed to reports by a third party (each a **Third-Party Report**) in this Prospectus represents research opinions or viewpoints only of that third party, and are in no way to be construed as statements of fact. While the views, opinions, forecasts and information contained in a Third-Party Report are based on information believed by the third-party author in good faith to be reliable, that third-party author is not able to make any representation or guarantee as to the accuracy or completeness of any information upon which a view, opinion or forecast or information contained in any Third-Party Report is based. Any views, opinions or predictions contained in a Third-Party Report are subject to inherent risks and uncertainties, and third parties do not accept responsibility for actual results or future events.

Any statement made in a Third-Party Report is made as at the date of that Third-Party Report and any forecasts or expressions of opinion are subject to future change without notice by any respective third-party author of such reports. As such, investors are cautioned not to place undue reliance on such information. A third party is not obliged to, and will not, update or revise any content of a Third-Party Report, other than where required by law, irrespective of any changes, events, conditions, availability of new information or other factors which may occur subsequent to the date of that Third-Party Report. The Third-Party Reports do not represent investment advice nor do they provide an opinion regarding the merits of the Offer.

Photographs and Diagrams

Photographs and diagrams used in this Prospectus which do not have descriptions are for illustration only and should not be interpreted to mean that any person shown in them endorses this Prospectus or its contents or that the assets shown in them are owned by the Company. Diagrams used in this Prospectus are illustrative only and may not be drawn to scale. Unless otherwise stated, all data contained in charts,

graphs and tables is based on information available at the date of this Prospectus.

Time

All references to time in this Prospectus are references to (AWST), being the time in Perth, Western Australia, Australia, unless otherwise stated.

No Cooling-Off Rights

Cooling off rights do not apply to an investment in Shares offered under this Prospectus. This means that, in most circumstances, you cannot withdraw your Application once it has been accepted.

Website

No document or information included on the Company's website is incorporated by reference into this Prospectus.

Speculative Nature of Investment

An investment in the Company is not risk free. The Shares offered pursuant to this Prospectus should be considered highly speculative. There is no guarantee that the Shares offered pursuant to this Prospectus will make a return on the capital invested, that dividends will be paid on the Shares or that there will be an increase in the value of the Shares in the future.

Intellectual Property

This Prospectus may contain trademarks of third parties, which are the property of their respective owners. Third party trademarks used in this Prospectus belong to the relevant owners and use is not intended to represent sponsorship, approval or association by or with us.

Definitions and Abbreviations

Definitions and abbreviations used in this Prospectus, unless specified otherwise, have the meaning given in the glossary in Section 9.

Unless otherwise stated or implied, references to dates or years are calendar year references.

Replacement Prospectus

This Prospectus is a replacement prospectus and makes changes to the original prospectus dated

20 March 2024. The material changes made to the original prospectus are as follows:

- Sections 4.4 and 8.14 to include additional disclosures relating to the proposed use of funds by the Company and costs of the Offer;
- Section 5.8(b) to include further details regarding the assumptions underlying the Forecast Financial Information in Section 5;
- Section 7.6 to include an additional section to refer to the directors of Equity & Advisory Limited and details of the Shared Services Agreement referred to in Section 8.7(d)(ii);
- Section 7.8 to include additional disclosure relating to a previous directorship of Michael Terlet;
- Section 4.5 to include additional information relating to certain Existing Shareholders contributing to satisfying the ASX free float admission requirement;
- Section 6.2 to include an additional risk relating to the general risk of a delisting of the Company from ASX; and
- updates to various figures in the Chair's Letter, Sections 1.1, 1.7, 1.8, 1.9, 4.5, 4.6, 7.2(d) and 8.6 to reflect the number of Existing Shareholders who have elected to participate in the Sale Offer as at the date of this Prospectus and the consequential changes this has on the shareholdings of Stephen Young and Mark Vartuli who will participate in the Sale Offer to ensure that the number of Shares offered under the Sale Offer is 16.7 million.

Questions

If you have any questions in relation to the Offer, contact the Offer Information Line on 1800 830 977 between 8:30am and 5:30pm (AWST), Monday to Friday, excluding public holidays.

This document is important and should be read in its entirety.



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KEY OFFER STATISTICS AND IMPORTANT DATES

Key Dates

Prospectus Date ¹	Thursday, 28 March 2024
Opening date of the Offer	Thursday, 28 March 2024
Closing date of the Offer	Wednesday, 10 April 2024
Settlement of the Offer	Thursday, 18 April 2024
Allotment of New Shares and transfer of Sale Shares	Monday, 22 April 2024
Expected dispatch of holding statements	Tuesday, 23 April 2024
Expected date for Official Quotation on the ASX	Monday, 29 April 2024
ASX trading commences on a normal settlement basis	Monday, 29 April 2024

Note:

1. The original prospectus was lodged with ASIC on 20 March 2024 and this replacement prospectus was lodged with ASIC on 28 March 2024.

Dates may Change

This timetable is indicative only and may change without notice. Tasma, SaleCo and the Joint Lead Managers reserve the right to vary any and all of the above dates and times without notice including, subject to the ASX Listing Rules and the Corporations Act, to close the Offer early, to extend the Closing Date, or to accept late Applications, either generally or in particular cases, or to cancel or withdraw the Offer before settlement, in each case without notifying any recipient of this Prospectus or Applicants. Offers may be made and may be open for acceptances, under this Prospectus either generally or in particular cases, including until Completion or, subject to the Corporations Act, thereafter, at the discretion of the Directors.

If the Offer is cancelled or withdrawn before the allocation of Shares, then all Application Monies will be refunded in full (without interest) as soon as possible in accordance with the requirements of the Corporations Act. Investors are encouraged to submit their Applications as soon as possible after the Offer opens.

Key Offer Statistics	
Offer Price	\$1.56 per Share
Total proceeds under the Offer	\$59.0 million
Number of Shares on issue as at the Prospectus Date	196.6 million
Number of Shares under the Offer	37.8 million
Total proceeds from the issue of New Shares under the Offer	\$33.0 million
Number of New Shares to be issued under the Offer	21.2 million
Total proceeds from the sale of Sale Shares under the Sale Offer	\$26.0 million
Number of Sale Shares to be sold under the Sale Offer	16.7 million
Number of Shares to be held by Existing Shareholders at Completion	179.9 million ¹
Total number of Shares on issue at Completion	217.8 million ²
Indicative market capitalisation at Completion	\$339.7 million
Indicative enterprise value at Completion	\$363.9 million
Pro forma net debt/(cash)	\$24.2 million ²
Enterprise value/Pro forma forecast FY24 EBITDA	5.4x
Enterprise value/Pro forma forecast FY24 EBIT	6.7x
Offer Price/Pro forma forecast FY24 NPAT per Share	10.1x
Annualised forecast FY24 dividend yield at the Offer Price	2.9%

Notes:

1. Certain Existing Shareholders (including those Existing Shareholders that elect to participate in the Sale Offer) will be subject to voluntary escrow arrangements for a period of 11 months from the date of Admission. Executive Management, holding between approximately 135.2 million and 137.6 million Shares at Completion depending upon Existing Shareholders participation in the Sale Offer, will be subject to an escrow period of 17 months. Refer to Sections 4.14 and 8.6 for further information.
2. Pro forma net debt is as of 31 December 2023. Refer to Section 5.6(b).

How to Invest

Applications for Shares can only be made by completing and lodging an Application Form. Instructions on how to apply for Shares are set out in Section 4 and on the back of the Application Form.

Questions

All enquiries in relation to this Prospectus should be directed to the Offer Information Line on 1800 830 977 (within Australia) from 8:30am to 5:00pm (AWST), Monday to Friday. If you are eligible to participate in the Offer and are calling from outside Australia, you should call 1800 830 977 from 8:30am to 5:00pm (AWST), Monday to Friday.

If you are unclear in relation to any matter, or are uncertain as to whether the Company is a suitable investment for you, you should seek professional guidance from your solicitor, stockbroker, accountant or other independent and qualified professional adviser before deciding whether to invest.

Tasmea owns 18 diversified specialist trade skill service businesses providing essential shutdown, programmed maintenance, emergency breakdown and sustaining capital upgrade services.

We deliver our services across four key service streams: **Electrical, Mechanical, Civil and Water & Fluid.**

- ▶ 4,000+ days without a lost time injury (LTI)
- ▶ Over 1,400 flexible trade skilled employees
- ▶ Over 15 offices and workshops nationwide
- ▶ Delivering work throughout premier mining, oil and gas and industrial regions
- ▶ Maintenance focused, remote area specialist trade services provider
- ▶ Diversified blue-chip customer base across six key industries: Mining & Resources, Oil and gas, Defence & Infrastructure, Power & Renewables Energy, Telecommunications & Retail and Waste & Water

\$435m

pro forma consolidated
revenue in FY24F

\$54m

pro forma consolidated
EBIT in FY24F

>90%

of FY23A revenue derived
from repeat customers

\$21bn

total estimated addressable
market in FY24F



CHAIR'S LETTER



"Tasmea's purpose of 'Delivering Value. Always!' serves as the foundation for the Company's culture and guides decision-making and interactions with its customers, people, suppliers and the communities it serves."

Dear Investor,

On behalf of the Board, it is my pleasure to present you with the opportunity to become an investor in Tasmea Limited (**Tasmea** or the **Company**).

Tasmea's subsidiaries (**Tasmea Group**) provide skilled trade services through a 1,400 + strong, flexible workforce across its four specialised service areas of Electrical, Mechanical, Civil and Water & Fluid.

The Tasmea Group provides essential shutdown, programmed maintenance, emergency breakdown and sustaining capital upgrade services principally to fixed plant and equipment for asset owners operating in essential Australian industries.

The Tasmea Group services a diversified blue-chip customer base operating across the mining and resources, oil and gas, power and renewables, defence and infrastructure, telecommunications and retail and waste and water industries. The Tasmea Group focuses on Australia's remote regions where the majority of its customers are located and has a national footprint with operations in all mainland States and Territories.

During FY23, the Tasmea Group generated over 90% of its consolidated revenue from repeat customers. The Tasmea Group has long standing relationships with its top 10 blue-chip customers ranging from 4 to 40 years of continued service. The Tasmea Group's customer engagement strategy is supported by over 35 Master Service Agreements (**MSAs**) and 6 Facility Management Agreements (**FMA**s) across 10 wholly owned businesses and at locations across all mainland States and Territories. This independent by individual entity approach to customer engagement has enabled the Tasmea Group to focus on service delivery, diversification of revenue concentration and risk mitigation.

Tasmea's purpose of 'Delivering Value. Always!' serves as the foundation for the Company's culture and guides decision-making and interactions with its customers, people, suppliers and the communities it serves. Great people, safety first, exceptional skill, exemplary service, genuine care, and common systems and processes are the key enablers allowing the Tasmea Group to deliver value always.

The Tasma Group operates in a growing serviceable market of over \$8 billion per annum targeting specific subsectors within the industries that the Tasma Group services.

Positive industry trends underwrite the future demand for the services offered by Tasma's subsidiaries including:

- (a) a large, expanding fixed plant asset base in the mining and resource, oil and gas and water facilities industries;
- (b) the ageing of plant and equipment deployed across these industries; and
- (c) a bias to using outsourced skilled services to meet peak demand requirements.

In FY24 H1, Tasma recorded a pro forma consolidated revenue of \$201 million and a pro forma consolidated EBIT of \$26.5 million, an increase of 16% and 11% respectively from the FY23 H1.

In FY23, Tasma recorded pro forma consolidated revenue of \$368 million and is forecast to generate pro forma consolidated revenue of \$435 million for FY24. The growth in revenue is forecast to deliver a pro forma consolidated EBIT of \$54 million and a pro forma consolidated net profit after tax of \$34 million for FY24, an increase of 26% and 21% respectively from the FY23 consolidated pro forma EBIT of \$43 million and consolidated pro forma net profit after tax of \$28 million. Refer to Section 5 for more details in relation to the forecasts, including their underlying assumptions and sensitivities.

The Company's core leadership team, led by its Founders, Managing Director, Stephen Young, Executive Director, Mark Vartuli and Chief Operating Officer, Jason Pryde, comprises an experienced mix of established corporate and former trade-based executives with a deep industry knowledge and established customer and supplier relationships. They are complemented by a corporate team experienced in financial, legal and human resource management and senior executives within each of Tasma's operating subsidiaries.

The Company is undertaking an initial public offering of fully paid ordinary shares in the Company (**Shares**) for approximately \$1.56 per Share, comprising of an offer of 21.2 million New Shares at an issue price of \$1.56 per Share to raise approximately \$33 million, together with the sale of 16.7 million Shares from the Company's Existing Shareholders at the same price to raise \$26 million (together, the **Offer**).

The purpose of the Offer is to provide the Company with funding and financial flexibility to pursue its future growth strategy and opportunities. Once listed, the Tasma Group's senior executives, their direct reports and long-serving employees of the Tasma Group, will be given an opportunity to invest their quarterly bonuses in Tasma Shares under the Incentive Plans, which will enhance employees'

commitment to Tasma. Finally, the ASX listing will create a liquid market allowing Existing Shareholders an opportunity to realise a part of their investment, and equally enable others to invest in the Company. The sell down of Sale Shares is expected to create sufficient liquidity and generate a free float of between approximately 20% to 22%.

On Completion, the Existing Shareholders will hold 83% of the total 217.8 million Shares. The Shares held by all Existing Shareholders who elect to participate in the Sale Offer will be subject to voluntary escrow restrictions for a period of 11 months from the date of Admission. Executive Management, holding between approximately 135.2 million to 137.6 million Shares at Completion depending upon Existing Shareholders participation in the Sale Offer, will be subject to an escrow period of 17 months.

This Prospectus contains detailed information about the Offer, Tasma's business and the industries that the Tasma Group operates in, historical and projected financial information and the key risks associated with an investment in Tasma. These risks include, but are not limited to, risks associated with workplace health and safety performance and obligations, quality of work and delivery, retention of key personnel and key customers, and labour costs. Further information about key risks is set out in Section 6.

Prior to making a decision to invest in Tasma, please read this Prospectus carefully in its entirety. Please consult your professional adviser(s) if you have any questions about this document.

On behalf of the Board of Directors, I am pleased to provide this opportunity and look forward to welcoming you as a Shareholder in Tasma.

Sincerely,



Giuseppe (Joe) Totaro
Non-Executive Director and Chair



FOUNDERS' LETTER

Dear Investor,

Tasmea was established in 1999 with the ethos to create shareholder value by identifying businesses that we could 'scale up'.

From inception, Tasmea pursued its growth objectives by ensuring it delivered value to its customers. Over time, this intent has evolved to become a shared common purpose of 'Delivering Value. Always!' by all of Tasmea's subsidiaries. This common purpose today underpins our culture which is enabled by the disciplined pursuit of the following six core values:

- **Great people:** We employ a diverse skilled workforce, we advocate learning through training and development, we foster a team culture both internally and externally to empower, encourage, expect and reward accountability;
- **Safety first mentality:** We are committed to an unwavering focus on safe operations. As a direct consequence of our individual safety contracts, we have established personal accountability for ourselves, the management who report to us, their direct reports and our employees, all to uphold our safety culture and the disciplined implementation of the highest safety protocols to ensure the safety of our employees and those who work alongside them;
- **Exceptional skill:** As specialist trade skilled service providers, we recruit, train, develop, motivate and reward our skilled employees. We expect our employees in their niche area of expertise to be as skilled or more skilled than their customers so as to meet or exceed their expectations;
- **Exemplary service:** We provide exemplary service by listening, understanding and then delivering on time, on budget and fit for purpose services, and where required, utilise actionable urgency so as to minimise customer disruption;
- **Care:** We care for our staff, their families, our customers, our suppliers, our communities and the environment we work in by maintaining a human perspective, establishing strong relationships and accepting responsibility to make a difference; and
- **Common systems and processes:** In order to be efficient and effective, we establish common systems, policies and processes which we seek to continuously improve to ensure an accurate, relevant and timely flow of information.



Stephen Young
Founder and Managing Director
Tasmea Limited



Mark Vartuli
Founder and Executive Director
Tasmea Limited

Over the last two decades, Tasmae has continued to grow and now owns 18 subsidiaries with complementary capabilities across four key segments of electrical, mechanical, civil and water & fluid services. These businesses deliver their specialist niche trade skilled services independently under their own brand but utilise shared back-office resources.

The Tasmae Group has a flexible committed workforce with over 1,400 employees working across all Australian mainland States and Territories delivering critical maintenance, emergency breakdown and upgrade services efficiently and safely. We are proud of our safety record which now extends for more than 4,000 days without a lost time injury (LTI), which is a remarkable testament to our employees and the Tasmae Group's safety culture. Tasman Power (a Tasmae Subsidiary) is the current recipient of Rio Tinto's 2023 Health and Safety Award.

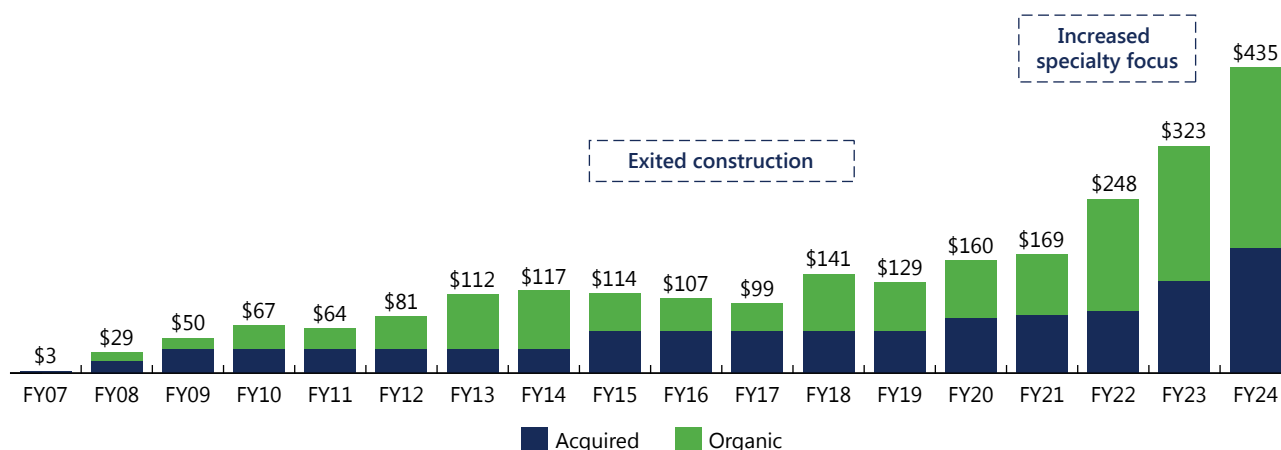
Tasmae achieves its growth objectives by acquiring niche trade skill services businesses which are regarded as leading service providers. Specifically, Tasmae seeks to acquire niche trade skill providers who work in growing industry sectors with strong future outlooks. This strategy enables the Tasmae Group to continuously achieve organic revenue growth through a process known as 'scaling up'.

The growth of the industries serviced by the Tasmae Group, in particular the mining and resources, oil and gas, waste and water sectors, present a significant opportunity for Tasmae subsidiaries to continue to scale up.

Tasmae has a strong history of acquiring businesses, integrating them into the Tasmae Group and scaling them up to continuously deliver strong organic revenue growth. Over the last two decades, we have improved our modus operandi, learning from our challenges and amplifying our successes. The accumulation of our collective experience and commercial learnings is reflected in our growth journey.

The total revenue of the 18 businesses now owned by Tasmae, at the time of acquisition or start-up was \$177 million. Since acquisition, Tasmae has scaled up those businesses by increasing the organic revenue by \$258 million. As a consequence, the Tasmae Group is now forecast to generate \$435 million of pro forma consolidated revenue in FY24F, representing a weighted organic growth CAGR of 29% (Note 1). Refer to Figure 1 and Figure 2 below for further details.

Figure 1: Acquired and organic revenue growth (A\$m)



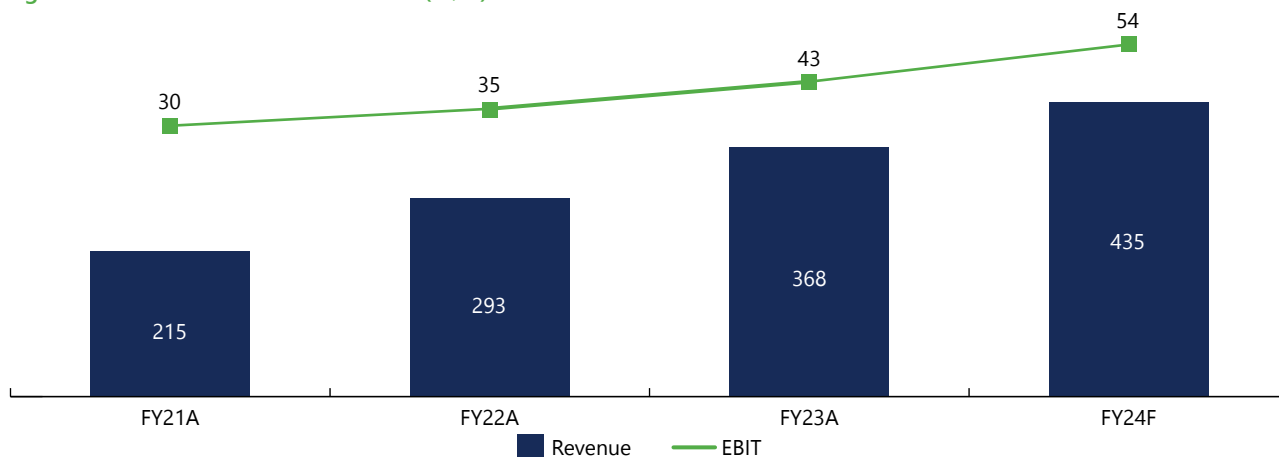
Note 1: Pro forma basis, measured from each subsidiary acquisition year, and before intercompany eliminations.

Over the two financial years from FY21 to FY23, Tasmae achieved growth in consolidated pro forma revenue of 71% and consolidated pro forma EBIT of 44%. This has been achieved by the combined impact of its disciplined programmatic acquisition strategy, planned integration processes and organic growth from scaling up revenue growth with existing customers, providing new services to both existing and new customers often requiring geographic expansion.

In FY24, Tasmae has forecast that it will continue its revenue and EBIT growth in a manner broadly consistent with the previous three years.

FOUNDER'S LETTER

Figure 2: Pro Forma Revenue and EBIT (A\$m)



The Tasma Group's focused strategy to service blue-chip asset owners, support essential asset infrastructure, deliver exemplary services on shutdown, programmed maintenance, emergency breakdown and sustaining capital upgrade projects is forecast to generate consistent organic revenue and EBIT growth.

We see the Offer as the best alternative for providing the funding needed to support Tasma's continued future growth, whilst also providing an opportunity for our executive management and employees to become long term committed shareholders of their Company.

We look forward to welcoming you as a Shareholder in Tasma and sharing the next stage of our exciting journey with you.

Yours faithfully,



Stephen Young
Founder and Managing Director



Mark Vartuli
Founder and Executive Director

SECTION ONE

INVESTMENT OVERVIEW



1. INVESTMENT OVERVIEW

The information below is a selective overview only. Prospective investors should read this Prospectus in full before deciding whether to invest in the Shares offered pursuant to this Prospectus.

1.1 Introduction

Topic	Summary	For more information
Who is the issuer of the prospectus?	Tasmea Limited ACN 088 588 425 (ASX code: TEA) (Tasmea or the Company) and Tasmea SaleCo Limited (ACN 670 255 875) (SaleCo).	Important Information
What is the Offer?	<p>The Company is undertaking an initial public offering of New Shares by the Company and the sale of Sale Shares by SaleCo at an offer price of \$1.56 per Share. The Offer contained in this Prospectus is an invitation to apply for:</p> <ul style="list-style-type: none"> • approximately 21.2 million New Shares raising proceeds of \$33 million (before costs); and • 16.7 million Sale Shares offered by SaleCo raising proceeds of \$26 million (before costs) (Sale Offer), <p>Existing Shareholders will hold approximately 180 million Shares or 83% of Shares on Completion. The total number of Shares that are subject to a voluntary escrow arrangements total between approximately 169.4 million to 174.2 million Shares depending upon Existing Shareholders participation in the Sale Offer. Refer to Sections 4.14 and 8.6 for further information on the escrow arrangements.</p>	Sections 4.1 and 8.5
Why is the Offer being conducted?	<p>The purpose of the Offer is to provide:</p> <ul style="list-style-type: none"> • the Company with funding and financial flexibility to pursue its growth strategy and capitalise on future growth opportunities; • a liquid market for Shares and an opportunity for others to invest in the Company, in particular to increase the equity participation by the Company's management and employees to further foster the Company's culture, continued loyalty and exceptional performance; • the Company with the benefit of being a public listed company, in particular with access to the public equity markets and increased brand profile; and • Selling Shareholders an opportunity to realise part of their investment in the Company. 	Section 4.3

1.2 Key financials and dividend policy

Topic	Summary	For more information																																			
What is Tasmaea's pro forma historical and forecast financial performance?	<p>The following table summarises Tasmaea's consolidated pro forma financial information. It enables investors to consider the underlying financial performance of the Tasmaea Group.</p> <table border="1"> <thead> <tr> <th>Pro Forma \$ million</th> <th>FY21</th> <th>FY22</th> <th>FY23</th> <th>FY24F</th> </tr> </thead> <tbody> <tr> <td>Revenue</td> <td>215.1</td> <td>293.4</td> <td>367.5</td> <td>435.1</td> </tr> <tr> <td>Gross profit</td> <td>64.0</td> <td>77.1</td> <td>104.9</td> <td>122.5</td> </tr> <tr> <td>EBITDA</td> <td>36.3</td> <td>42.6</td> <td>53.6</td> <td>67.1</td> </tr> <tr> <td>EBIT</td> <td>29.8</td> <td>34.7</td> <td>43.0</td> <td>54.0</td> </tr> <tr> <td>Profit before income tax</td> <td>25.0</td> <td>30.5</td> <td>39.1</td> <td>48.6</td> </tr> <tr> <td>Net profit after tax (NPAT)</td> <td>18.2</td> <td>23.2</td> <td>28.4</td> <td>33.5</td> </tr> </tbody> </table>	Pro Forma \$ million	FY21	FY22	FY23	FY24F	Revenue	215.1	293.4	367.5	435.1	Gross profit	64.0	77.1	104.9	122.5	EBITDA	36.3	42.6	53.6	67.1	EBIT	29.8	34.7	43.0	54.0	Profit before income tax	25.0	30.5	39.1	48.6	Net profit after tax (NPAT)	18.2	23.2	28.4	33.5	Section 5
Pro Forma \$ million	FY21	FY22	FY23	FY24F																																	
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Net profit after tax (NPAT)	18.2	23.2	28.4	33.5																																	
What is Tasmaea's dividend policy?	<p>Tasmaea has proposed a dividend payout policy within a range of 30% to 50% of each year's retained earnings if its financial performance and position will enable the payment of dividends.</p> <p>On account of FY24 H1 record earnings Tasmaea declared an interim fully franked dividend of 2.5 cents per Share. Tasmaea will pay the interim dividend of 2.5 cents fully franked dividend on 7 June 2024 with the date for determining dividend entitlements being 15 May 2024.</p> <p>Any future dividend will be determined in accordance with the dividend policy outlined in Section 5.11, subject to future performance.</p> <p>Please read the Financial Information in conjunction with the assumptions underlying its preparation as set out in Section 5 and the risk factors set out in Section 6 concerning dividends.</p>	Section 5.11																																			

1. INVESTMENT OVERVIEW

1.3 Overview of the Maintenance Services Industry

Topic	Summary	For more information
<p>What is the estimated addressable market size and the growth outlook?</p>	<p>The Tasma Group operates in the Australian maintenance services industry. The Tasma Group principally provides outsourced maintenance to fixed plant for essential asset owners within the following six industry sectors (Focus Industry Sectors):</p> <ul style="list-style-type: none"> • mining and resources; • oil and gas; • power and renewables; • defence and infrastructure; • telecommunications and retail; and • waste and water. <p>Oxford Economics projects that in FY24, Tasma's total addressable market across the Focus Industry Sectors will be \$21.4 billion and that the total addressable market is projected to grow at a compound annual growth rate (CAGR) of 1.1% between FY24 to FY28.</p> <p>The projected growth in the total addressable market is based on Oxford Economics' expectation of increased maintenance needs for existing plant across the mining and resources and oil and gas sectors and private and public infrastructure investment.</p> <p>The Company provides services to specific subsectors within Focus Industry Sectors. The subsectors that the Company intends to target with its current products, services and business model are collectively referred to as the serviceable available market.</p> <p>Oxford Economics projects that in FY24, Tasma's total serviceable available market across the Focus Industry Sectors will be \$8.6 billion of the \$21.4 billion total addressable market.</p>	<p>Sections 2.1 and 2.2</p>
<p>What industry segments are included in the serviceable available market?</p>	<p>The specific subsectors included in the Company's serviceable available market are outlined below:</p> <ul style="list-style-type: none"> • mining and resources (iron ore, copper, gold and other ore mining fixed plant excluding coal); • oil and gas (oil and gas fields and refineries and coal seam gas fixed plant); • power and renewable (solar, wind and other renewables generation assets and infrastructure); • defence (defence estates infrastructure, facilities and assets); • telecommunications and retail (mobile network towers and non-residential facilities principally retail centres); and • waste and water (water supply, storage, sewerage and drainage, and capital works applicable to dams, ponds and tailings). 	<p>Section 2.3</p>
<p>What are the key drivers of demand for Maintenance Services?</p>	<p>The principal demand drivers for maintenance services in the Company's serviceable available market are outlined below:</p> <ul style="list-style-type: none"> • size of the asset base, its average age and utilisation; • the flexibility requirement for specialty maintenance services; • sophisticated technology; • a strong trading outlook; and • increasing commodity production. 	<p>Section 2.4</p>

Topic	Summary	For more information
What is the competitive landscape?	<p>The Company believes that the Australian maintenance services industry is fragmented and principally comprises businesses providing generalist services, together with a small number of specialist service providers. Smaller operators tend to conduct business within specific geographic areas.</p> <p>There are several service providers operating in some of the markets within which the Tasmaea Group is active, however none of these service providers provide the specialist trade services at either a diversified range nor scale as that offered by the Tasmaea Group across its four service segments.</p>	Section 2.5

1.4 Company and Business Model Overview

Topic	Summary	For more information
Who is Tasmaea and what does it do?	<p>Tasmaea owns 18 businesses including Yura Yarta, which is 49% owned by Tasmaea in order to obtain Supply Nation accreditation. These 18 businesses comprise the Tasmaea Group, which collectively provides specialist maintenance services including essential shutdown, programmed maintenance, emergency breakdown and sustaining capital upgrade services to asset and infrastructure owners of fixed plant operating in essential Australian industries.</p> <p>The Tasmaea Group operates across the following four specialist technical capabilities:</p> <ul style="list-style-type: none"> • Electrical; • Mechanical; • Civil; and • Water & Fluid. 	Section 3.1
What is Tasmaea's history?	<p>Over the last three decades, Tasmaea has established a track record of successful acquisitions which have delivered organic growth, largely driven by customer demand including requests for complementary services. Tasmaea made its first acquisition in 2001 and has since grown to 18 subsidiaries, achieving pro forma revenue of \$368 million for FY23 and forecasting revenue of \$435 million in FY24.</p>	Section 3.2
What geographies does Tasmaea operate in?	<p>The Tasmaea Group operates from Perth, Western Australia and has offices in each mainland State, including a number of regional centres throughout Australia. Tasmaea's strategy is to provide specialist maintenance services targeting remote locations across Australia where our customers' fixed plant is located.</p>	Section 3.3
What is Tasmaea's operating model?	<p>Tasmaea is not a trading entity. The Tasmaea Group delivers its services through 18 independent subsidiaries which retain their individual legal status and unique branding. Each subsidiary is managed by separate chief executives and executive teams. The objective of this decentralised approach is to maintain each business' skill base and their close working relationships with customers and suppliers.</p> <p>Tasmaea's leadership and corporate services team provides shared services to its subsidiaries in respect of business direction, human resource management, recruitment, capital and finance (i.e. debt and equity), insurance, legal, marketing, business development and strategic support.</p>	Section 3.4

1. INVESTMENT OVERVIEW

Topic	Summary	For more information
<p>What are Tasma's service capabilities?</p>	<p>Tasma's service capabilities across each of its four operating segments are:</p> <p>Electrical: A range of industrial electrical services including electrical shutdown, preventative, programmed and reactive maintenance, emergency breakdown repairs, fault finding, statutory compliance, electrical upgrades for brownfield and greenfield projects, and high-voltage testing and commissioning.</p> <p>Mechanical: A range of services including fixed plant mechanical shutdown, emergency breakdown, sustaining capital upgrades, rope access services, lifting and rigging equipment servicing, blasting and painting, drill rig and blast equipment maintenance and overhaul, precision machining, specialised fabrication, installation and programmed maintenance services.</p> <p>Civil: Programmed and emergency mine maintenance including civil and concrete services, civil construction, liquid waste management and facilities maintenance.</p> <p>Water & Fluid: A range of services including geosynthetic containment services (liners and covers) and biogas collection, lubrication solutions, maintenance and repair of auto lubrication systems and distribution of press-fit, drainage, press tool solutions predominately across stainless steel and copper products.</p>	<p>Section 3.5</p>
<p>How many employees does Tasma have?</p>	<p>The Tasma Group employs more than 1,400 people across Australia's states and territories. Over 650 of its employees are employed on a casual basis with the remainder on a permanent full-time or part-time basis.</p> <p>Majority of the casual employees elect to remain casual as this flexibility suits their lifestyle giving them the option to work when they wish. In accordance with the existing industrial relation legislation, these employees are offered permanent full-time employment every six months.</p> <p>This mix of employment arrangements provides the Tasma Group with greater flexibility to meet shutdown and maintenance requirements depending on customer and industry demand. The workforce consists primarily of a diverse range of skilled tradespeople with specialist technical capabilities, together with a smaller number of professionals and administration staff in finance, legal and human resources. Tasma attracts and retains employees by being an employer of choice and through a combination of competitive remuneration and retention bonuses.</p>	<p>Section 3.6</p>
<p>Who are Tasma's customers?</p>	<p>The Tasma Group has a diversified, blue-chip customer base predominately consisting of essential service asset owners including large miners, oil and gas producers, utility operators, infrastructure owners, and local, state and federal government organisations.</p> <p>Tasma's subsidiaries have long standing relationships with the Tasma Group's top 10 blue-chip customers ranging from 4 to 40 years of continued service. Tasma's customer engagement strategy is supported by over 35 MSAs and 6 FMAs in locations across all mainland States and Territories. In particular, Tasma provides services to its largest customer through three subsidiaries and pursuant to eight MSAs. Four of Tasma's subsidiaries provide services pursuant to individual vendor arrangements. This multifaceted approach to customer engagement has enabled the Tasma Group to diversify its revenue concentration.</p>	<p>Section 3.8</p>

Topic	Summary	For more information
What is the nature of Tasma's customer relationships and contracts?	<p>The Tasma Group generates most of its revenue from recurring customers, many of which are contractually supported by MSAs and FMAs with its subsidiaries. These agreements set out an agreed schedule of hourly rates and materials fees.</p> <p>For customers without an MSA or FMA, Tasma's subsidiaries usually submit hourly rates and material fees for a particular scope of work. Alternatively, Tasma's subsidiaries will provide services for a fixed fee for a defined scope of work.</p>	Section 3.10
How does Tasma generate its revenue?	<p>The consolidated revenue of the Tasma Group is generated by servicing a diversified customer base across critical commodities and throughout Australian States and Territories.</p> <p>Tasma believes that diversified commodity exposure creates a hedge against individual commodity cycles.</p> <p>During FY23 over 90% of Tasma's FY23 pro forma consolidated revenue was generated from repeat customers, with the top 10 customers accounting for 54% of pro forma FY23 consolidated revenue. However, this consolidated revenue was earned by 18 subsidiaries operating independently or in a limited number of circumstances working together to provide a seamless service incorporating a combination of trade skills.</p>	Sections 3.8 and 3.9
What is Tasma's growth strategy?	<p>Tasma is committed to building on its established organic growth framework through the following specific growth strategies:</p> <ul style="list-style-type: none"> • maintaining existing customer relationships and expand alongside customers' growth, increase market share and pursue new customers offering the same services; • expanding new and complementary activities and capabilities; • continuing to diversify the Tasma Group's customer base by provided the same services for different commodity producers; • expanding the Tasma Group's geographic coverage with existing and new customers; and • building new skills and capacity through programmatic acquisitions including specialist services for mobile plant and new technologies. 	Section 3.12

1. INVESTMENT OVERVIEW

1.5 Key Strengths

Topic	Summary	For more information
Culture and values	<p>Driven by the principle of “Delivering Value – Always!”, Tasma’s core values serve as the foundation for Company culture and guide decision-making, and interactions with customers, employees, and partners across. Tasma’s core values are:</p> <ul style="list-style-type: none"> • great people; • safety first mentality; • exceptional skill; • exemplary service; • authentic care; and • common systems and processes. 	Section 3.11
Dedicated focus on maintenance services	<p>Tasma strategically positions its businesses by servicing asset owners and operators in essential Australian industries through maintenance breakdown repair and sustaining capital upgrades. This focus generates stable recurring earnings and cash flows as opposed to engaging in lump sum construction contracting. This dedicated focus on maintenance and breakdown repair has enabled Tasma’s subsidiaries to develop strong sector expertise within the specialist areas served by its businesses.</p>	Section 3.11
Scale and national reach	<p>Servicing every Australian State and Territory, the Tasma Group leverages its expansive scale and national reach to provide complementary maintenance, emergency breakdown and sustaining capital upgrade services across diverse geographic regions.</p> <p>The Tasma Group pursues regional expansion by establishing a local presence in premier mining, oil and gas and industrial regions offering complementary services, often operating in harsh environments where assets require significant maintenance. This extensive coverage and deep local knowledge enables efficient service delivery and site accessibility through close proximity to customers.</p>	Section 3.11
Multi-brand approach and diversified service range	<p>Tasma offers its subsidiaries’ skilled services independently relying upon the shared Tasma culture to deliver a service valued by our customers. The skilled maintenance, emergency breakdown and upgrade services offered through Tasma’s businesses establish multiple touchpoints with the same customers. Tasma believes this promotes enhanced customer engagement. This strategic approach ensures that the Tasma Group can adapt and cater to varying customer preferences and market demands. Where required Tasma’s subsidiaries offer skills on a combined and seamless basis.</p>	Section 3.11
Decentralised operating model	<p>Tasma’s businesses are standalone and are supported by a small corporate office. Tasma considers this approach creates greater accountability and recognition, enhanced specialisation of services offered and increased focus on meeting and exceeding customer needs. Tasma believes its decentralised model helps it achieve industry leading margins and enables disciplined cash flow management.</p>	Section 3.11
Safety	<p>Tasma places safety at the forefront of its operations. Each subsidiary’s unwavering commitment to safety is reflected in its individual safety contracts, accountability measures, and safety record. The Tasma Group’s dedication to maintaining a safe work environment has been recognised through awards such as the 2023 Rio Tinto Health and Safety Award. The Tasma Group is proud of its employees and their exceptional track record of over 4,000 days without an LTI.</p>	Section 3.11

Topic	Summary	For more information
Diverse blue-chip customer base	<p>The Tasma Group supports blue-chip essential asset infrastructure owners across six focus industries which are critical to the Australian economy. The customer base is diversified by commodity and by geography and is spread across a number of larger miners, oil and gas producers, utility operators, infrastructure owners, and local, state and federal government organisations.</p>	Section 3.5
Service excellence and long-term relationships	<p>Tasma and its subsidiaries take great pride in providing excellent service to its customers as evidenced by long-term customer retention and a track record of contract renewals.</p> <p>Tasma subsidiaries' strong relationships are also reflected through more than 35 MSAs and 6 FMAs with customers which generate a stable and recurring revenue and earnings pipeline.</p>	Section 3.11
Experienced executive leadership and established management team	<p>The Tasma Group's leadership team, led by its Founders, Managing Director, Stephen Young and Executive Director, Mark Vartuli together with Chief Operating Officer, Jason Pryde, comprises an experienced mix of corporate and former trade-based executives with industry knowledge and established customer and supplier relationships. They are complemented by a corporate team experienced in financial, legal and human resource management and senior executives within each of Tasma's 18 businesses.</p> <p>Tasma considers that the long tenure across most of the Tasma Group's senior leadership is a competitive advantage.</p>	Section 3.7
Highly qualified workforce	<p>The Tasma Group employs a diversely expert 1,400 workforce and it advocates for learning and development. The Tasma Group aims to foster a teamwork culture to empower and encourage accountability and respect.</p> <p>Over 45% of the Tasma Group's workforce are employed on a casual basis which provides the Tasma Group with greater flexibility to mobilise its workforce depending on customer and industry demand. Most of these casual employees work solely for a Tasma subsidiary, however, for lifestyle reasons they choose when and which cycles they wish to work.</p> <p>The Tasma Group has an established track record of growth by using its ability to recruit and retain employees with exceptional trade skills. Whilst the labour markets have been tight, the Tasma Group has demonstrated an ability to recruit and retain to meet its growth plans. Tasma subsidiaries offer a combination of competitive remuneration and retention bonuses. In addition to recruiting locally, the Tasma Group has also, where necessary, recruited skilled employees from offshore.</p>	Section 3.11

1. INVESTMENT OVERVIEW

Topic	Summary	For more information
Programmatic acquisitions	<p>Both Mark Vartuli and Stephen Young are experienced and skilled mergers and acquisitions practitioners. Consistent with Tasma's disciplined approach to growth, Tasma remains committed to expansion through strategic acquisitions. Tasma routinely targets businesses that service industries with strong growth prospects and seeks to identify services where its customer demands are either not met or underserved. Tasma seeks to generate revenue synergies by acquiring businesses that introduce new in demand capabilities to Tasma's existing customers. Tasma ensures that each acquisition aligns with its overall strategic fit and is complementary to its core capabilities.</p> <p>Tasma also strategically focuses on acquisition targets with a value where there are limited buyer alternatives (i.e. too large for owner operators to acquire and too small to attract private equity buyers).</p> <p>Wherever possible Tasma seeks to involve the vendors post acquisition and negotiate to pay part of the acquisition consideration on an earn out basis over 2 to 3 years.</p> <p>Tasma makes regular small acquisitions and believes that the combination of disciplined acquisition integration and scaling up have enabled Tasma to achieve strength and growth.</p>	Section 3.12(e)

1.6 Key Risks

Topic	Summary	For more information
What are the key investment risks?	<p>Outlined below are the key risks associated with investing in the Company.</p> <p>The following risks should not be taken as an exhaustive list of all the key risks faced by the Company. These factors, and others not specifically referred to below, may materially affect the financial performance of Tasma and the value of the Shares under the Offer. A number of other key risks are included in Section 6, and investors should review all of these carefully before making an investment decision.</p>	Section 6
Workplace health and safety performance and obligations	<p>Workplace health and safety performance is a critical element in the reputation of Tasma and its subsidiaries. The Tasma Group's ability to retain existing contracts, and continue to be awarded new contracts in the industries in which it operates in is dependent upon its demonstrated record for safe work.</p> <p>Whilst Tasma subsidiaries have an exceptional safety record underwritten by unwavering commitment to achieving safe outcomes within all of its workplaces, a fatality or a serious workplace injury has the capacity to adversely impact the reputation, operational and financial outcomes of one or more of the Tasma subsidiaries and potentially the entire Tasma Group.</p>	Section 6.1(a)
Quality of work and delivery	<p>An important part of Tasma's subsidiaries are their ability to add value to its customers by delivering exemplary services in a consistent and timely manner. Whilst each Tasma subsidiary has a strong record of delivering and has systems and processes in place to ensure the continuation of these exemplary service standards, there is no guarantee that all Tasma subsidiaries will always meet its customers' expectations with respect to the quality and timing of the work performed. Any such failures, or perceived failures, could have a material adverse impact on one or more of Tasma's subsidiaries or the entire Tasma Group's reputation and financial performance.</p>	Section 6.1(b)

Topic	Summary	For more information
Retention of key management	<p>The Tasmea Group's performance is influenced by the capabilities of its key leadership personnel and senior executives to effectively oversee its operations, foster growth, and address the requirements of its customers. The retention and engagement of these senior leaders and essential staff members play a pivotal role in managing customers and ensuring the smooth progress of ongoing customer interactions.</p> <p>If a number of Tasmea's key leadership personnel or senior executives leave, this may have a negative impact on one or more of the subsidiaries and potentially the entire Tasmea Group.</p>	Section 6.1(c)
Retention of key customers	<p>The Tasmea Group's ongoing success is mainly dependent on the continued engagement and retention of each subsidiary's largest blue chip customers.</p> <p>Tasmea has developed a customer engagement strategy which is focused on delivering exemplary services to customers across its eighteen individual subsidiaries via over 35 MSAs and 6 FMAs. This multifaceted and diversified approach has enabled Tasmea to mitigate the risk and impact of any cessation of services by a Tasmea subsidiary to a top 10 blue chip customer.</p> <p>If a top 10 blue chip customer fails or ceases to procure services from one or more of Tasmea's subsidiaries, this may have a negative impact on these subsidiaries and/or potentially the entire Tasmea Group.</p>	Section 6.1(d)
Labour supply and costs	<p>The Tasmea Group's ability to carry out its services is dependent on the availability and cost of skilled and qualified labour. Increased levels of activity, especially during boom construction cycles, and a growing number of competing employers may lead to a shortage of skilled personnel for the services which Tasmea subsidiaries are able to provide.</p> <p>Whilst Tasmea has several initiatives in place to mitigate this risk, significant staff losses or a failure to attract and retain sufficient new staff may have an adverse impact on the financial performance of one or more of the subsidiaries and potentially the entire Tasmea Group and its growth prospects. This risk is mitigated by having 18 different employment pools for each skill specialty and the Tasmea Group's nation-wide geographic spread.</p>	Section 6.1(e)
Remote operations	<p>The Tasmea Group frequently undertakes projects in remote locations. The remoteness of some of the Tasmea's locations results in an exposure to increased risk of a shortage of skilled and general labour. Notwithstanding the bargaining power of Tasmea's subsidiaries, there is potential that increased costs may not be able to be passed on to the Tasmea Group's customers, which may impact the profitability of one or more subsidiaries and potentially the entire Tasmea Group.</p> <p>There may be increased risks to operations and personnel on site in remote locations. Tasmea may also be exposed to greater risk of logistical difficulties for transporting equipment and skilled personnel to remote locations. Historically, Tasmea's subsidiaries have demonstrated an ability to effectively manage these risks and where necessary pass on the anticipated additional costs to the Tasmea Group's customers, however there is no guarantee that the Tasmea Group will be able to continue to do so in the future.</p>	Section 6.1(f)

1. INVESTMENT OVERVIEW

Topic	Summary	For more information
<p>Large and skilled workforce</p>	<p>The Tasmea Group employs a large and skilled workforce consisting of more than 1,400 people across Australian States and Territories. Of these 1,400 employees, approximately 650 are employed on a casual basis with the remainder on a full-time permanent basis.</p> <p>Effectively managing and motivating skilled personnel is critical for the Tasmea Group to minimise turnover, mitigate operational disruption, secure adequate workforce levels to meet demand and maintain quality of services. This risk is mitigated in part by employing all the Tasmea Group's employees in different locations throughout Australia through its 18 subsidiaries.</p>	<p>Section 6.1(g)</p>
<p>Culture</p>	<p>The Tasmea Group's ability to retain and attract new employees is dependent on the Tasmea Group's culture. A negative change in the Tasmea Group's culture or the perception that such change has occurred, may adversely impact each Tasmea subsidiary's ability to retain its existing workforce and recruit suitable and qualified new employees. As the Tasmea Group is reliant on its workforce to service its customers (see Section 3.6 for further details), any adverse impacts to the Tasmea Group's workforce may lead to disruptions to Tasmea's business operations and may have a negative impact on the Tasmea Group's growth prospects.</p>	<p>Section 6.1(h)</p>
<p>Reputation</p>	<p>Tasmea's ability to maintain its reputation is critical to its ongoing financial performance. The Tasmea Group's reputation could be impacted if it does not maintain high standards for service quality or if it fails to comply with regulations or accepted practices. Furthermore, the actions of external entities (i.e. subcontractors, technical service providers or material suppliers), have the potential to negatively impact the Tasmea Group's reputation.</p>	<p>Section 6.1(i)</p>
<p>Renew existing contracts or win new contracts</p>	<p>The Tasmea Group has multiple MSAs and FMAs with fixed durations that are reviewed at the end of their terms. The MSAs and FMAs normally involve either exclusive or preferential appointment to a panel of service providers. These agreements do not guarantee the awarding of work to each of Tasmea's subsidiaries as they are subject to separate work or purchase orders. At any point in time, the Tasmea Group is at risk of another service provider offering similar work at a lower price. There is a risk that Tasmea may not win or renew its contracts. Appointment to a service provider panel only usually occurs when the relevant work scope is re-tendered and provides a significant barrier to entry</p>	<p>Section 6.1(j)</p>
<p>Delay in new contracts' commencement</p>	<p>There is a possibility of delays in the commencement of any new projects due to delay in project pre-requisites for commencement not being met, material delivery, adverse weather events and resources mobilisation. Additionally, a Tasmea subsidiary may be a party to a contract where its ability to fulfill obligations and generate revenue depends on third parties and the customers fulfilling their commitments in a timely manner.</p>	<p>Section 6.1(k)</p>

Topic	Summary	For more information
Downturn in key industries serviced by Tasma	<p>The Tasma Group specialises in outsourced maintenance, emergency breakdown and sustaining capital upgrade services, with its financial performance and projected growth directly tied to the amount of outsourced work it receives from customers. Various factors such as economic changes, industry trends, and customer strategies can lead to a reduction in outsourced services. The Tasma Group primarily serves customers in mining and resources, oil and gas, power and renewables, defence and infrastructure, telecommunications and retail, waste and water in Australia, as discussed in Section 3.9. A decrease in outsourced services or unfavourable customer decisions could materially adversely impact the Tasma Group's future revenue, profitability, and growth prospects. While the Tasma Group is relatively sheltered from commodity price downturns due to its focus on fixed plant maintenance, a downturn in mining, resources, oil and gas, power and renewables, defence and infrastructure or waste and water sectors in Australia could still negatively affect the Tasma Group's performance.</p>	Section 6.1(l)
Mergers and acquisitions risk	<p>Tasma has previously acquired and intends to acquire businesses in the future. However, there is no guarantee of success in identifying suitable acquisition opportunities, negotiating favourable terms, or achieving the expected benefits and synergies from these acquisitions. The ability to realise these advantages partly relies on Tasma's capacity to effectively integrate newly acquired businesses with its current operations.</p>	Section 6.1(m)
Increased competition from existing and new competitors	<p>The broader industry in which the Tasma Group operates is competitive and a significant number of both large and small companies compete with Tasma's subsidiaries. This competitive landscape is anticipated to persist, posing various challenges to Tasma's efforts to sustain revenue levels and satisfactory profit margins. Notwithstanding Tasma's strategic positioning as a specialist skilled trade provider in remote areas, there are currently lower levels of competition in certain regional geographies. Tasma believes none of these competitors provides specialist trade services at either a diversified range or scale as offered by Tasma's subsidiaries.</p>	Section 6.1(n)
Industrial relations and employee risks	<p>Effective management of Enterprise and Workplace Agreements is vital to minimise the risk of labour disputes. Complex interpretations of modern awards and Enterprise and Workplace Agreements put individual Tasma's subsidiaries at risk of underpayment, which could lead to regulatory non-compliance and damage to their financial standing and reputation.</p> <p>Changes in labour laws could impact the Tasma Group's employment structure, affecting workforce flexibility, labour costs, and casual labour usage. Industrial action could result in losses for one or more of Tasma's subsidiaries and potentially the entire Tasma Group if it disrupts services or customer contracts do not provide for it or the recovery of costs associated with industrial relation legislative changes.</p>	Section 6.1(o)
Subcontractors and suppliers	<p>The Tasma Group's activities involve reliance on subcontractors and suppliers. The Tasma Group's ad hoc dependence on subcontractors and suppliers for service provision diminishes its ability to exercise control over the delivery, quality, and dependability of the services offered.</p> <p>Furthermore, should any subcontractor or supplier become unable to continue rendering services to a Tasma subsidiary for any cause, and a suitable substitute service provider is not promptly identified, that Tasma subsidiary's financial and operating performance could be adversely impacted, which could impact the performance of the entire Tasma Group.</p>	Section 6.1(p)

1. INVESTMENT OVERVIEW

Topic	Summary	For more information
Unfair dismissal claims	<p>The Tasma Group recognises that employees have access to unfair dismissal claims pursuant to the <i>Fair Work Act 2009</i> (Cth) and that such employees may be entitled to remedies including reinstatement or compensation if such claims were successful.</p> <p>Further, while casual employees are not entitled to redundancy under the <i>Fair Work Act 2009</i> (Cth), there is a risk that employees who are not genuinely casual can make a claim for redundancy payments on the basis that they are actually permanent employees. This risk is mitigated by Tasma subsidiaries writing to all casual employees each six months asking them to confirm they do not wish to take up permanent employment.</p>	Section 6.1(q)
Misconduct	Should an employee, subcontractor, or agent engage in fraudulent activities, violate the Tasma Group's security protocols or clearances, or engage in any other form of misconduct, such incidents could potentially have a negative impact on the Tasma Group's business operations, government clearances, and potentially the Tasma Group's overall reputation.	Section 6.1(r)
Cyber security	The Tasma Group may be adversely affected by malicious third-party applications that interfere with, or exploit, security flaws in the Tasma Group's software (some of which may be managed by third parties). Viruses, worms, and other forms of malicious software have the potential to compromise the security of data stored within the computer systems of both customers and Tasma's subsidiaries including private or confidential information collected or retained by Tasma's subsidiaries on behalf of its customers.	Section 6.1(s)

1.7 Board and management

Topic	Summary	For more information
Who are the directors and key management of the Company?	<p>The Directors and key management of the Company are:</p> <ul style="list-style-type: none"> • Giuseppe (Joe) Totaro – Non-Executive Director and Chair; • Stephen Young – Managing Director; • Mark Vartuli – Executive Director; • Jason Pryde – Executive Director & Chief Operating Officer; • Michael Terlet AO – Non-Executive Director; • Kristie Young – Non-Executive Director (unrelated to Stephen Young); and • Simone Thompson – Chief Financial Officer and Company Secretary. 	Section 7.1

Topic	Summary	For more information																																																
What interests in the Company are held by Directors and are they participating in the Offer?	<p>Shareholdings of the Directors on the Prospectus Date and immediately following Completion are set out in the table below assuming maximum participation by Existing Shareholders in the Sale Offer:</p> <table border="1" data-bbox="427 383 1193 952"> <thead> <tr> <th data-bbox="434 392 523 510"></th> <th colspan="2" data-bbox="529 392 683 510">As at the Prospectus Date</th> <th colspan="3" data-bbox="689 392 1187 510">At Completion (assuming maximum participation by Existing Shareholders in the Sale Offer)</th> </tr> <tr> <th data-bbox="434 519 523 607">Director</th> <th data-bbox="529 519 619 607">Shares</th> <th data-bbox="625 519 683 607">% of Total Issued Shares</th> <th data-bbox="689 519 778 607">Shares⁵</th> <th data-bbox="785 519 842 607">% of Total Issued Shares</th> <th data-bbox="849 519 970 607">Subject to Escrow</th> </tr> </thead> <tbody> <tr> <td data-bbox="434 616 523 680">Stephen Young¹</td> <td data-bbox="529 616 619 680">92,096,773</td> <td data-bbox="625 616 683 680">46.84%</td> <td data-bbox="689 616 778 680">92,096,773</td> <td data-bbox="785 616 842 680">42.29%</td> <td data-bbox="849 616 970 680">92,096,773</td> </tr> <tr> <td data-bbox="434 689 523 723">Mark Vartuli²</td> <td data-bbox="529 689 619 723">40,762,567</td> <td data-bbox="625 689 683 723">20.73%</td> <td data-bbox="689 689 778 723">40,762,567</td> <td data-bbox="785 689 842 723">18.72%</td> <td data-bbox="849 689 970 723">40,762,567</td> </tr> <tr> <td data-bbox="434 732 523 766">Jason Pryde³</td> <td data-bbox="529 732 619 766">3,919,010</td> <td data-bbox="625 732 683 766">1.99%</td> <td data-bbox="689 732 778 766">4,143,360</td> <td data-bbox="785 732 842 766">1.90%</td> <td data-bbox="849 732 970 766">4,143,360</td> </tr> <tr> <td data-bbox="434 775 523 808">Joe Totaro</td> <td data-bbox="529 775 619 808">Nil</td> <td data-bbox="625 775 683 808">Nil</td> <td data-bbox="689 775 778 808">500,000</td> <td data-bbox="785 775 842 808">0.23%</td> <td data-bbox="849 775 970 808">500,000</td> </tr> <tr> <td data-bbox="434 817 523 882">Michael Terlet AO⁴</td> <td data-bbox="529 817 619 882">911,558</td> <td data-bbox="625 817 683 882">0.46%</td> <td data-bbox="689 817 778 882">546,935</td> <td data-bbox="785 817 842 882">0.25%</td> <td data-bbox="849 817 970 882">546,935</td> </tr> <tr> <td data-bbox="434 891 523 925">Kristie Young</td> <td data-bbox="529 891 619 925">Nil</td> <td data-bbox="625 891 683 925">Nil</td> <td data-bbox="689 891 778 925">12,821</td> <td data-bbox="785 891 842 925">0.01%</td> <td data-bbox="849 891 970 925">12,821</td> </tr> </tbody> </table> <p data-bbox="427 974 485 996">Notes:</p> <ol data-bbox="427 1003 1166 1417" style="list-style-type: none"> 1. Includes Shares held by Stephen Young and his controlled entities. 2. Includes Shares held by Mark Vartuli and his controlled entities. 3. Includes Shares held by Jason Pryde and his controlled entities. 4. Includes Shares held by Michael Terlet AO and his controlled entities. 5. Based on maximum sell down percentages as indicated by Directors as follows: <ol style="list-style-type: none"> a. Stephen Young will not participate in the Sale Offer. b. Mark Vartuli will not participate in the Sale Offer. c. Jason Pryde will not participate in the Sale Offer, but intends to apply for New Shares under the Offer. Following Completion, and subject to Shareholder approval, the Company intends to issue up to 3,000,000 Pryde Options to Mr Pryde. Refer to Section 7.2(g) for further information. d. Michael Terlet AO participating in the Sale Offer of 40% of his existing Shares. e. Joe Totaro will not participate in the Sale Offer but intends to apply for New Shares under the Offer. f. Kristie Young will not participate in the Sale Offer but intends to apply for New Shares under the Offer. 		As at the Prospectus Date		At Completion (assuming maximum participation by Existing Shareholders in the Sale Offer)			Director	Shares	% of Total Issued Shares	Shares ⁵	% of Total Issued Shares	Subject to Escrow	Stephen Young ¹	92,096,773	46.84%	92,096,773	42.29%	92,096,773	Mark Vartuli ²	40,762,567	20.73%	40,762,567	18.72%	40,762,567	Jason Pryde ³	3,919,010	1.99%	4,143,360	1.90%	4,143,360	Joe Totaro	Nil	Nil	500,000	0.23%	500,000	Michael Terlet AO ⁴	911,558	0.46%	546,935	0.25%	546,935	Kristie Young	Nil	Nil	12,821	0.01%	12,821	Section 7.2(d)
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1. INVESTMENT OVERVIEW

Topic	Summary	For more information																																																
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1.8 Significant interests of Existing Shareholders and related party transactions

Topic	Summary	For more information			
Who are the Existing Shareholders and what will be their interest at Completion?	Shareholdings of Existing Shareholders on the Prospectus Date and immediately following Completion (on a fully diluted basis) are set out in the table below.	Section 4.5			
				As at the Prospectus Date	On Completion
				Shares	Shares
	Substantial Shareholders				
	Stephen Young & controlled entities ¹			92,096,773	90,414,306 to 92,096,773 ⁵
	Mark Vartuli & controlled entities ²			40,762,567	40,017,897 to 40,762,567 ⁵
	Jason Pryde & controlled entities ³			3,919,001	4,143,360
	Key Management and Directors				
	Michael Terlet AO ⁴			911,558	546,935
	Simone Thompson			100,000	100,000
	Other				
	Existing Shareholders			58,811,405	42,509,362 to 44,936,498 ⁵
	New Shareholders			Nil	37,596,154
	Total			196,601,304	217,755,150
Notes:					
1. Includes Shares held by Stephen Young and his controlled entities.					
2. Includes Shares held by Mark Vartuli and his controlled entities.					
3. Includes Shares held by Jason Pryde and his controlled entities. Mr Pryde intends to apply for New Shares under the Offer. Following Completion, and subject to Shareholder approval, the Company intends to issue up to 3,000,000 Pryde Options to Mr Pryde. Refer to Section 7.2(g) for further information.					
4. Includes Shares held by Michael Terlet AO and his controlled entities.					
5. The number of Shares held by Messrs Stephen Young and Mark Vartuli (and their respective controlled entities), and other Existing Shareholders will depend on participation by Existing Shareholders in the Sale Offer and whether Messrs Stephen Young and Mark Vartuli are required to participate in the Sale Offer. Refer to Section 8.5 for further information.					

1. INVESTMENT OVERVIEW

Topic	Summary	For more information
<p>Will there be a controlling interest in the Company?</p>	<p>The Directors do not expect any single Shareholder to control the Company on Completion (based on the definition of 'control' in section 50AA of the Corporations Act).</p> <p>Approximately 83% of the Shares on issue after Completion will be held by the Existing Shareholders, with Managing Director Stephen Young (and his controlled entities) holding 41.52% to 42.29%, and Executive Director Mark Vartuli (and his controlled entities) holding 18.38% to 18.72%, of Shares on Completion.</p>	<p>Section 4.6</p>
<p>Will any Shares be subject to restrictions on disposal following Completion?</p>	<p>Upon Completion, certain Existing Shareholders (including those Existing Shareholders that elect to participate in the Sale Offer) will be subject to voluntary escrow arrangements (other than for any Shares acquired by them, or entities related to them, under the Offer at the Offer Price) for a period of 11 months from the date of Admission.</p> <p>Certain Existing Shareholders (including those Existing Shareholders that elect to participate in the Sale Offer) will enter into voluntary escrow arrangements which prevent them from disposing of their Escrowed Shares during the relevant Escrow Period (subject to relevant exemptions).</p> <p>Furthermore, the Executive Directors (Stephen Young, Mark Vartuli and Jason Pryde) have agreed to an extended voluntary escrow period for 17 months from the date of Admission (i.e. September 2025).</p>	<p>Sections 4.14 and 8.6</p>
<p>Are there any related party transactions?</p>	<p>The Company obtained Shareholder approval at its general meeting held on 4 September 2023 to divest the Brill Lane Property to the Brill Lane Village Trust (which is an entity associated with certain Directors) for the consideration of \$825,000. The rationale for this divestment is that Tasmaea has resolved to focus on acquiring skilled trade services businesses and wherever possible occupies lower yielding real estate assets by way of lease rather than freehold investment.</p> <p>Some of Tasmaea's subsidiaries operate part of their businesses from premises leased from related parties. The aggregate annual rent payable under the core related party leases in FY23 was approximately \$1,367,941 and is in line with market rates as assessed by a third party real estate firm.</p>	<p>Section 7.6</p>

1.9 Details of the Offer

Topic	Summary	For more information																																																			
What are the sources and uses of the proceeds of the Offer?	<p>Funds raised from the issue and transfer of Shares under the Offer (totalling approximately \$59 million) will be applied as set out in the table below.</p> <table border="1"> <thead> <tr> <th style="background-color: #1a3d4d; color: white;">Sources of funds</th> <th style="background-color: #1a3d4d; color: white;">\$m</th> <th style="background-color: #1a3d4d; color: white;">%</th> </tr> </thead> <tbody> <tr> <td colspan="3" style="background-color: #d9e1f2;">Company</td> </tr> <tr> <td>Offer proceeds received by the Company</td> <td>\$33.0</td> <td>56%</td> </tr> <tr> <td colspan="3" style="background-color: #d9e1f2;">SaleCo</td> </tr> <tr> <td>Offer proceeds received by SaleCo from the sale of Sale Shares</td> <td>\$26.0</td> <td>44%</td> </tr> <tr> <td>Total funds available</td> <td>\$59.0</td> <td>100%</td> </tr> <tr> <th style="background-color: #1a3d4d; color: white;">Use of Proceeds</th> <th style="background-color: #1a3d4d; color: white;">\$m</th> <th style="background-color: #1a3d4d; color: white;">%</th> </tr> <tr> <td colspan="3" style="background-color: #d9e1f2;">Company</td> </tr> <tr> <td>Future acquisitions¹</td> <td>\$10.0</td> <td>30.3%</td> </tr> <tr> <td>Future growth working capital²</td> <td>\$5.0</td> <td>15.2%</td> </tr> <tr> <td>Net leverage reduction³</td> <td>\$12.1</td> <td>36.7%</td> </tr> <tr> <td>Costs of the Offer⁴</td> <td>\$5.9</td> <td>17.9%</td> </tr> <tr> <td>Total uses – Company</td> <td>\$33.0</td> <td>100%</td> </tr> <tr> <td colspan="3" style="background-color: #d9e1f2;">SaleCo</td> </tr> <tr> <td>Paying Selling Shareholders the remaining Offer proceeds received by SaleCo</td> <td>\$26.0</td> <td>100%</td> </tr> <tr> <td>Total uses – SaleCo</td> <td>\$26.0</td> <td>100%</td> </tr> <tr> <td>Total funds raised</td> <td>\$59.0</td> <td>100%</td> </tr> </tbody> </table> <p>Notes:</p> <ol style="list-style-type: none"> It is anticipated that the \$10.0 million of funds allocated to future acquisitions will be utilised within the 12 to 18 months following the Prospectus Date, subject to there being suitable acquisitions targets. If there are no suitable acquisitions over the indicated period, the proceeds will be applied to net leverage reduction. The proceeds will be redrawn once a suitable acquisition has been identified and completed. Tasma's focus is on acquiring specialist maintenance trade skilled businesses servicing remote fixed plant asset owners with high repeat customer and recurring revenue streams. Tasma also looks for acquisition targets where it is able to cross sell the newly acquired trade skilled capability across its existing customer base or sell its existing capabilities to the newly acquired business's customer base. Further details on Tasma's programmatic acquisition strategy is outlined in Section 3.12(e). The proceeds will provide working capital resources enabling Tasma's subsidiaries to deliver the projected growth as targeted in the Incentive Plans outlined in Section 7.2(g). Future growth working capital proceeds will be utilised to fund the working capital requirements of existing businesses as they grow and the working capital requirements of future acquisitions. Working capital funds the costs of direct wages and salaries and associated expenses, which are typically paid on a weekly basis, materials, subcontractors and equipment hire which are paid on a monthly basis and generally 30 days prior to Tasma subsidiaries' being able to collect customer receivables. The proceeds will be applied against the Tasma's debt facilities outlined in Section 5.6(c). Costs of the Offer still to be paid at the date of the Prospectus, include fees payable to advisers referred to in Section 8.13 as well as other costs such as registry fees, ASX listing fees and other IPO related expenses. Refer to Section 8.14 for further details on the costs of the Offer. <p>The Offer proceeds are sufficient to meet Tasma's objectives. Taking into account the Company's cash reserves (refer to Section 5), the Company has enough working capital at the time of its admission to carry out its stated objectives.</p>	Sources of funds	\$m	%	Company			Offer proceeds received by the Company	\$33.0	56%	SaleCo			Offer proceeds received by SaleCo from the sale of Sale Shares	\$26.0	44%	Total funds available	\$59.0	100%	Use of Proceeds	\$m	%	Company			Future acquisitions ¹	\$10.0	30.3%	Future growth working capital ²	\$5.0	15.2%	Net leverage reduction ³	\$12.1	36.7%	Costs of the Offer ⁴	\$5.9	17.9%	Total uses – Company	\$33.0	100%	SaleCo			Paying Selling Shareholders the remaining Offer proceeds received by SaleCo	\$26.0	100%	Total uses – SaleCo	\$26.0	100%	Total funds raised	\$59.0	100%	Section 4.4
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1. INVESTMENT OVERVIEW

Topic	Summary	For more information
What is the consideration payable for the Shares?	Successful Applicants under the Offer will pay the Offer Price, being \$1.56 per Share.	Section 4.1
What is SaleCo?	SaleCo, a special purpose vehicle, has been established to facilitate the sale of Sale Shares by the Selling Shareholders.	Section 8.5
Will the Shares be quoted on the ASX?	<p>The Company will apply to ASX within seven days of the Prospectus Date for admission to the Official List and Official Quotation of Shares (which will be under the ASX code "TEA").</p> <p>Completion is conditional on ASX approving the application. If ASX does not grant permission for Official Quotation within three months after the Prospectus Date (or within such longer period as may be permitted by law) the Offer will be withdrawn and all Application Monies received (if any) will be refunded to Applicants (without interest) as soon as practicable in accordance with the requirements of the Corporations Act. Interest will not be paid on Application Monies refunded.</p>	Section 4.17
How is the Offer structured?	<p>The Offer comprises the Retail Offer and the Institutional Offer.</p> <p>The Retail Offer consists of the:</p> <ul style="list-style-type: none"> • Broker Firm Offer, which is an offer to Australian and New Zealand resident retail clients of Brokers who have received a firm allocation of Shares from their Broker (see Section 4.8); and • Priority Offer, which is open to selected investors in Australia and New Zealand nominated by the Company (see Section 4.9). <p>The Institutional Offer consists of an offer to Institutional Investors in Australia, New Zealand, Singapore and Hong Kong made under this Prospectus (see Section 4.11).</p>	Section 4.2

Topic	Summary	For more information																																																																
What is the effect of the Offer on the capital structure of the Company?	<p>The Company's indicative capital structure at the time of Completion is outlined below:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th rowspan="2"></th> <th colspan="2" style="background-color: #1a3d4d; color: white;">As at the Prospectus Date</th> <th colspan="2" style="background-color: #1a3d4d; color: white;">On Completion</th> </tr> <tr> <th style="background-color: #d9e1f2;">Shares</th> <th style="background-color: #d9e1f2;">%</th> <th style="background-color: #d9e1f2;">Shares^{5,6}</th> <th style="background-color: #d9e1f2;">%</th> </tr> </thead> <tbody> <tr> <td colspan="5" style="background-color: #d9e1f2;">Substantial Shareholders</td> </tr> <tr> <td>Stephen Young & controlled entities¹</td> <td style="text-align: right;">92,096,773</td> <td style="text-align: right;">46.84%</td> <td style="text-align: right;">90,414,306 to 92,096,773⁷</td> <td style="text-align: right;">41.52% to 42.29%⁷</td> </tr> <tr> <td>Mark Vartuli & controlled entities²</td> <td style="text-align: right;">40,762,567</td> <td style="text-align: right;">20.73%</td> <td style="text-align: right;">40,017,897 to 40,762,567⁷</td> <td style="text-align: right;">18.38% to 18.72%⁷</td> </tr> <tr> <td>Jason Pryde & controlled entities³</td> <td style="text-align: right;">3,919,001</td> <td style="text-align: right;">1.99%</td> <td style="text-align: right;">4,143,360</td> <td style="text-align: right;">1.90%</td> </tr> <tr> <td colspan="5" style="background-color: #d9e1f2;">Key Management and Directors</td> </tr> <tr> <td>Michael Terlet AO⁴</td> <td style="text-align: right;">911,558</td> <td style="text-align: right;">0.46%</td> <td style="text-align: right;">546,935</td> <td style="text-align: right;">0.25%</td> </tr> <tr> <td>Simone Thompson</td> <td style="text-align: right;">100,000</td> <td style="text-align: right;">0.05%</td> <td style="text-align: right;">100,000</td> <td style="text-align: right;">0.05%</td> </tr> <tr> <td colspan="5" style="background-color: #d9e1f2;">Other</td> </tr> <tr> <td>Existing Shareholders</td> <td style="text-align: right;">58,811,405</td> <td style="text-align: right;">29.91%</td> <td style="text-align: right;">42,509,362 to 44,936,498⁷</td> <td style="text-align: right;">19.52% to 20.64%⁷</td> </tr> <tr> <td>New Shareholders</td> <td style="text-align: center;">Nil</td> <td style="text-align: center;">Nil</td> <td style="text-align: right;">37,596,154</td> <td style="text-align: right;">17.27%</td> </tr> <tr> <td>Total</td> <td style="text-align: right;">196,601,304</td> <td style="text-align: right;">100.0%</td> <td style="text-align: right;">217,755,150</td> <td style="text-align: right;">100.00%</td> </tr> </tbody> </table> <p>Notes:</p> <ol style="list-style-type: none"> 1. Includes Shares held by Stephen Young and his controlled entities. 2. Includes Shares held by Mark Vartuli and his controlled entities. 3. Includes Shares held by Jason Pryde and his controlled entities. 4. Includes Shares held by Michael Terlet AO and his controlled entities. 5. Based on maximum sell down percentages as indicated by Directors as follows: <ol style="list-style-type: none"> a. Stephen Young will not participate in the Sale Offer. b. Mark Vartuli will not participate in the Sale Offer. c. Jason Pryde will not participate in the Sale Offer, but intends to apply for New Shares under the Offer. Following Completion, and subject to Shareholder approval, the Company intends to issue up to 3,000,000 Pryde Options to Mr Pryde. Refer to Section 7.2(g) for further information. d. Michael Terlet AO participating in the Sale Offer of 40% of his existing Shares. e. Joe Totaro will not participate in the Sale Offer but intends to apply for New Shares under the Offer. f. Kristie Young will not participate in the Sale Offer but intends to apply for New Shares under the Offer. 6. Following Completion, the Company intends to issue Performance Rights to chief executive officers and key operating personnel of the Tasma Group under the LTI Plan. Refer to Section 7.2(g) for further information. 7. The number of Shares held by Messrs Stephen Young and Mark Vartuli (and their respective controlled entities), and other Existing Shareholders will depend on participation by Existing Shareholders in the Sale Offer and whether Messrs Stephen Young and Mark Vartuli are required to participate in the Sale Offer. Refer to Section 8.5 for further information. 		As at the Prospectus Date		On Completion		Shares	%	Shares ^{5,6}	%	Substantial Shareholders					Stephen Young & controlled entities ¹	92,096,773	46.84%	90,414,306 to 92,096,773 ⁷	41.52% to 42.29% ⁷	Mark Vartuli & controlled entities ²	40,762,567	20.73%	40,017,897 to 40,762,567 ⁷	18.38% to 18.72% ⁷	Jason Pryde & controlled entities ³	3,919,001	1.99%	4,143,360	1.90%	Key Management and Directors					Michael Terlet AO ⁴	911,558	0.46%	546,935	0.25%	Simone Thompson	100,000	0.05%	100,000	0.05%	Other					Existing Shareholders	58,811,405	29.91%	42,509,362 to 44,936,498 ⁷	19.52% to 20.64% ⁷	New Shareholders	Nil	Nil	37,596,154	17.27%	Total	196,601,304	100.0%	217,755,150	100.00%	Section 4.5
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1. INVESTMENT OVERVIEW

Topic	Summary	For more information
What is the minimum application pursuant to the Offer?	<p>The minimum Application under the Broker Firm Offer is \$2,000 worth of Shares, and in multiples of \$500 thereafter. There is no maximum value of Shares that may be applied for under the Broker Firm Offer.</p> <p>Applications under the Priority Offer must be for a minimum of \$2,000 worth of Shares and in multiples of \$500 thereafter. There is no maximum number or value of Shares that may be applied for under the Priority Offer.</p>	Section 4.7
Is the Offer underwritten?	Yes. Morgans Corporate Limited and Unified Capital Partners Pty Ltd have fully underwritten the Offer pursuant to an Underwriting Agreement. Refer to Sections 4.13 and 8.7(a) for further details.	Sections 4.13 and 8.7(a)
Who are the Joint Lead Managers?	Morgans Corporate Limited, Unified Capital Partners Pty Ltd and Shaw and Partners Limited have acted as Joint Lead Managers to the Offer.	Section 4.7
What is the allocation policy?	The allocation of Shares between the Institutional Offer and Retail Offer (including the Broker Firm Offer and the Priority Offer) is determined by agreement between the Company and the Joint Lead Managers, having regard to the allocation policies outlined in Sections 4.8(d), 4.9(d) and 4.11(b) of this Prospectus.	Sections 4.8(d), 4.9(d) and 4.11(b)
Is there any brokerage, commission or stamp duty payable by applicants?	<p>No brokerage, commission or stamp duty is payable by Applicants on acquisition of Shares under the Offer.</p> <p>Refer to Section 8.7 for details of various fees payable by the Company to the Joint Lead Managers.</p>	Section 4.7
Are there any tax considerations for Australian investors?	Yes. Refer to Section 8.10 and note that it is recommended that all Shareholders consult their own independent tax advisers regarding the income tax (including capital gains tax), stamp duty and GST consequences of acquiring, owning and disposing of Shares, having regard to their specific circumstances.	Section 8.10
When will I receive confirmation that my Application has been successful?	<p>It is expected that initial holding statements and allotment confirmation notices will be dispatched on or around Tuesday, 23 April 2024.</p> <p>Refunds (without interest) to Applicants who make an Application and are scaled back (or otherwise receive Shares having a lesser value than the amount of Application Monies they have paid) will be made as soon as possible after Completion.</p>	Key Dates and Section 4
How can I apply?	<p>If you are an eligible investor who has received an invitation to apply for Shares under the Offer, you may apply for Shares by completing a valid Application Form attached to or accompanying this Prospectus.</p> <p>Applicants under the Broker Firm Offer should complete a hard copy Broker Firm Offer Application Form and follow the instructions of their Broker.</p> <p>Applicants who have been invited by Tasmaea to participate in the Priority Offer may apply for Shares by completing a valid online Application Form at https://events.miraqle.com/tasmaea-ipo.</p> <p>To the maximum extent permitted by law, an Application is irrevocable.</p>	Sections 4.8(b) and 4.9(b)

Topic	Summary	For more information
<p>Can the offer be withdrawn?</p>	<p>Yes. Tasmea and SaleCo may withdraw the Offer at any time before the issue or transfer of Shares to successful Applicants.</p> <p>If the Offer, or any part of it, does not proceed, all relevant Application Monies will be refunded (without interest).</p> <p>The Company also reserves the right to close the Offer early, extend the Offer, reject any Application or allocate to any Applicant fewer Shares than those applied for.</p>	<p>Section 4.15</p>
<p>Where can I find more information about this prospectus or the offer?</p>	<p>All enquiries in relation to this Prospectus should be directed to the Offer Information Line on 1800 830 977 from 8:30am until 5:30pm (AWST) Monday to Friday (excluding public holidays).</p> <p>All enquiries in relation to the Broker Firm Offer should be directed to your Broker.</p> <p>If you are unclear in relation to any matter or are uncertain as to whether Shares are a suitable investment for you, you should seek professional guidance from your stockbroker, solicitor, accountant, financial adviser or other independent professional adviser before deciding whether to invest.</p>	<p>Section 4.7</p>



2. INDUSTRY OVERVIEW

2.1 Overview of the Maintenance Services Industry

Tasmea operates in the Australian maintenance services industry. Tasmea principally provides outsourced maintenance to fixed plant for essential asset owners within the following six industry sectors (**Focus Industry Sectors**):

- Mining and resources;
- Oil and gas;
- Power and renewables;
- Defence and infrastructure;
- Telecommunications and retail; and
- Waste and water.

Tasmea's maintenance services predominantly relate to the following four specialist technical capabilities:

- Electrical;
- Mechanical;
- Civil; and
- Water & Fluid.

During FY23, over 90% of the Company's revenue was earned from providing these maintenance services to essential asset owners operating in the Focus Industry Sectors.

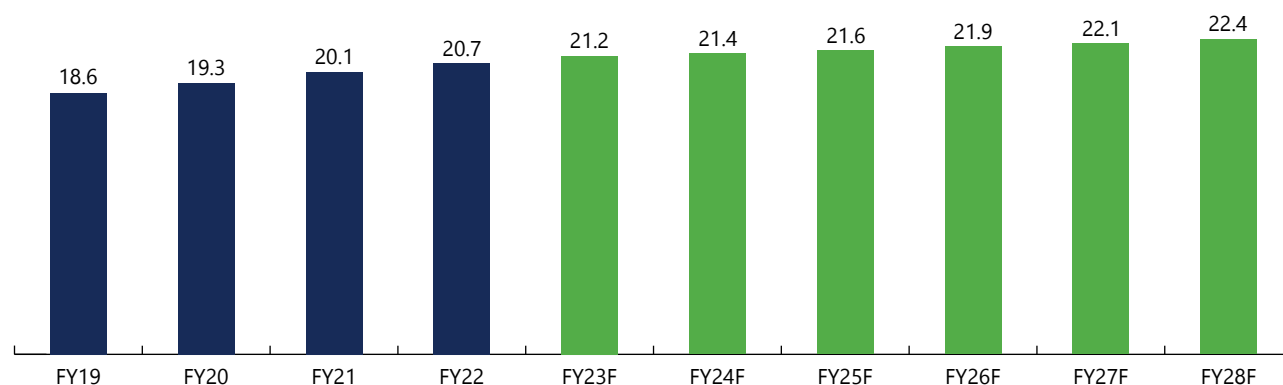
To assist the Company with preparing this Section 2, the Company engaged Bis Oxford Economics Pty Ltd (**Oxford Economics**) to provide information about the Company's total addressable market, serviceable available market, projected market growth and demand drivers. All information provided in this Section 2 is sourced from Oxford Economics' Maintenance in Australia May 2023 Report and corresponding database (Note 1).¹

2.2 Total addressable market

An overview of Tasmea's total addressable market for the Focus Industry Sectors is outlined below. The total addressable market relates to outsourced maintenance services for fixed plant only. In addition to outsourced maintenance services, essential asset owners incur expenditure on fixed plant using their own resources.

Oxford Economics projects that in FY24, Tasmea's total addressable market across the Focus Industry Sectors will be \$21.4 billion and that the total addressable market is projected to grow at a CAGR of 1.1% between FY24 to FY28. The projected growth in the total addressable market is based on Oxford Economics' expectation of increased maintenance needs for existing plant across the mining and resources and oil and gas sectors and private and public infrastructure investment.

Figure 3: Focus Industry Sectors – Total Addressable Market (\$bn)



1. The authors of the Oxford Economics' Maintenance in Australia May 2023 Report and corresponding database (Note 1) have provided their consent for the statements in that report to be included in this Prospectus.

2. INDUSTRY OVERVIEW

The estimated total addressable market size and projected CAGR between FY24 to FY28 for each Focus Industry Sector is outlined below.

Total addressable market		
Industry sector	FY24F (\$bn)	Forecast CAGR (FY24 – FY28)
Mining and resources (Coal mining, metal ore mining including iron ore, gold, copper, silver-lead-zinc, mineral sands and various minor metals and other mining)	2.8	0.5%
Oil and gas (Oil and gas fields and refineries and coal seam gas infrastructure)	3.8	1.5%
Power and renewable (Power and renewables generation, transmission and distribution)	2.0	1.3%
Defence infrastructure (Defence infrastructure facility and assets for airforce, army and navy)	0.7	1.2%
Telecommunications and retail (Telecommunications and retail (non-residential) buildings)	10.2	1.0%
Waste and water (Water and wastewater supply, storage, sewerage and drainage)	1.9	1.7%
Total	21.4	1.1%

2.3 Serviceable available market

The Company provides services to specific subsectors within Focus Industry Sectors, and for example, generates less than 0.5% of revenue from the coal subsector of mining and resources. The subsectors that the Company intends to target with its current products, services and business model are collectively referred to as the serviceable available market. Oxford Economics projects that in FY24, Tasma's total serviceable available market across the Focus Industry Sectors will be \$8.6 billion of the \$21.4 billion total addressable market.

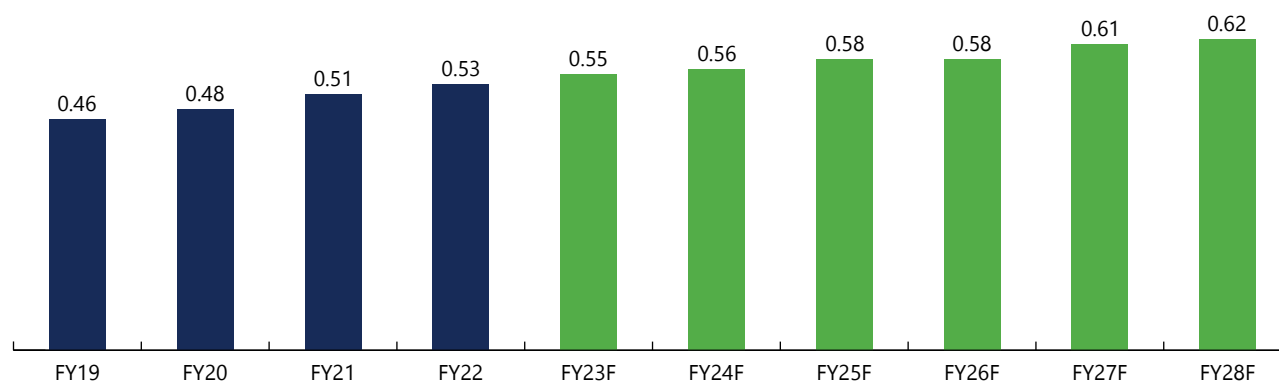
The estimated total serviceable available market size and projected CAGR between FY24 to FY28 for each Focus Industry Sector is outlined below.

Total serviceable available market		
Industry sector	FY24F (\$bn)	Forecast CAGR (FY24 – FY28)
Mining and resources (Iron ore, copper, gold and other ore mining fixed plant excluding coal)	0.6	2.5%
Oil and gas (Oil and gas fields and refineries and coal seam gas fixed plant)	3.7	4.1%
Power and renewable (Solar, wind and other renewables generation assets and infrastructure)	0.6	0.1%
Defence (Defence estates infrastructure, facilities and assets)	0.7	1.3%
Telecommunications and retail (Mobile network towers and non-residential facilities principally retail centres)	1.2	1.2%
Waste and water (Water supply, storage, sewerage & drainage. Capital works applicable to dams, ponds and tailings)	1.9	1.7%
Total	8.6	1.2%

(a) Mining and resources – metal ore mining excluding coal (fixed plant maintenance)

During FY23, approximately 60% of the Company's revenue was earned from the metal ore mining fixed plant maintenance sector which is projected to be \$560 million in FY24 and is projected to grow by a CAGR of 2.5% to reach \$620 million by FY28 driven by the projected increased demand for iron ore and copper production. (Source: Oxford Economics Maintenance in Australia May 2023 Report – page 79).

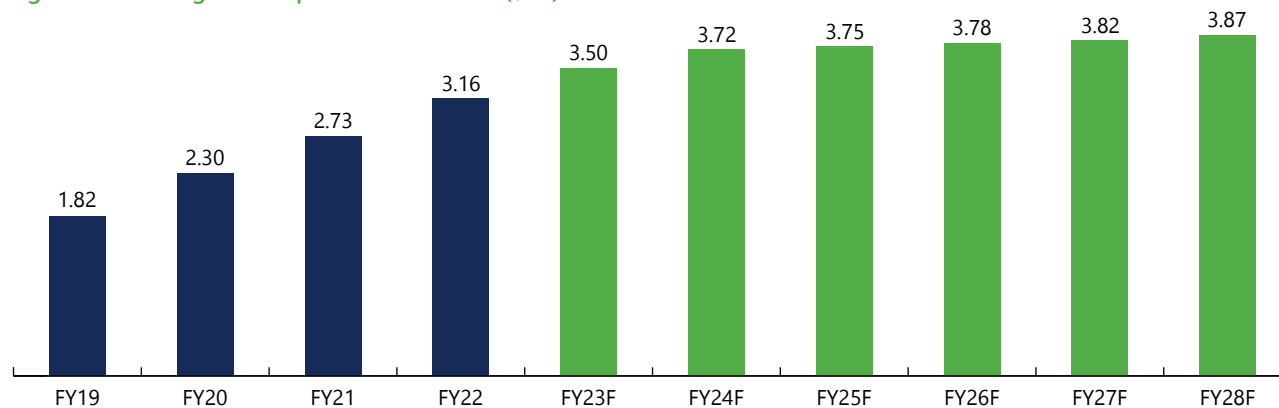
Figure 4: Metal Ore Mining (excl. coal) Fixed Plant Maintenance (\$bn)



(b) Oil and gas (fixed plant maintenance)

The maintenance services requirements for the oil and gas industry sector is projected to reach \$3.7 billion in FY24 and has positive outlook with a CAGR over the next four years to FY28 of 4.1% due to the demand for the commodity and the increasing maintenance requirements arising from recently built oil and gas infrastructure and facilities. (Source: Oxford Economics Maintenance in Australia May 2023 Report – page 81).

Figure 5: Oil and gas fixed plant maintenance (\$bn)

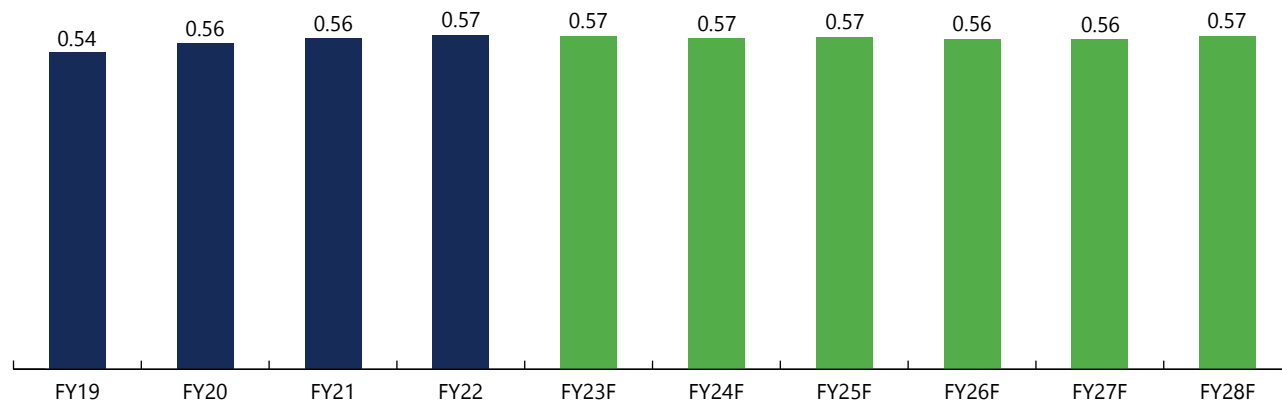


2. INDUSTRY OVERVIEW

(c) Power and renewable (electricity generation asset maintenance)

The demand for the power and renewable industry sector maintenance services is projected to total \$0.6 billion in FY24 and is expected to grow by a CAGR of 0.1% to FY28. The relatively moderate growth rate is attributable to the structural shift as Australia moves away from fossil fuels towards renewable electricity generation. As a result of this, it is expected that renewable generators, such as solar and wind power, are less maintenance intensive, but place additional pressures on transmission networks given their location and generation fluctuations. (Source: Oxford Economics Maintenance in Australia May 2023 Report – page 47).

Figure 6: Electricity Generation Asset Maintenance (\$bn)

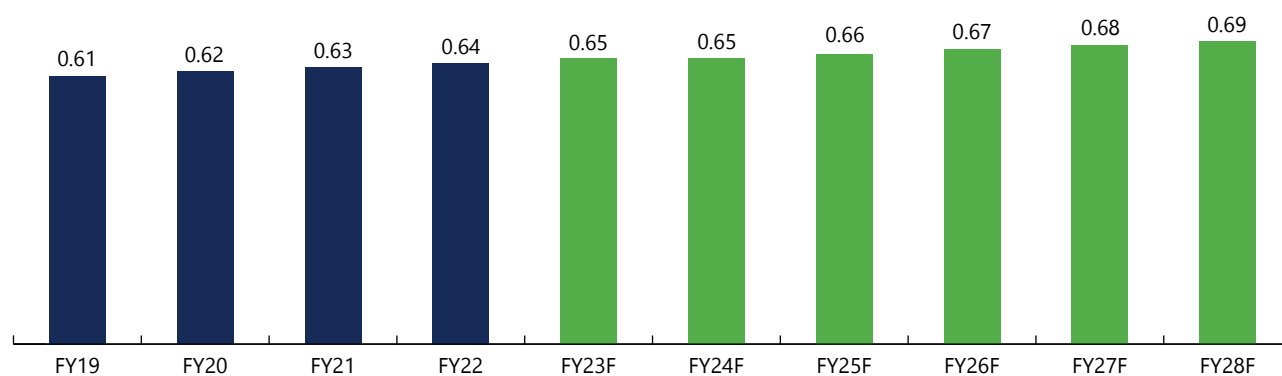


(d) Defence infrastructure (estate maintenance)

Defence estate maintenance spending on air force, army and navy base infrastructure and associated assets is forecast to reach a total of \$0.7 billion in FY24 with a projected CAGR of 1.3% through to FY28 driven by the government's ongoing demand for upkeep in order to maintain existing infrastructure in good order. (Source: Oxford Economics Maintenance in Australia May 2023 Report – page 127).

It is noted that the above defence infrastructure maintenance forecast does not include opportunities to service defence equipment including navy vessels. Significant opportunities exist to participate in the Australian Defence Force's naval shipbuilding plan including opportunities arising from the AUKUS Pact over the coming years.

Figure 7: Defence Estates Maintenance (\$bn)



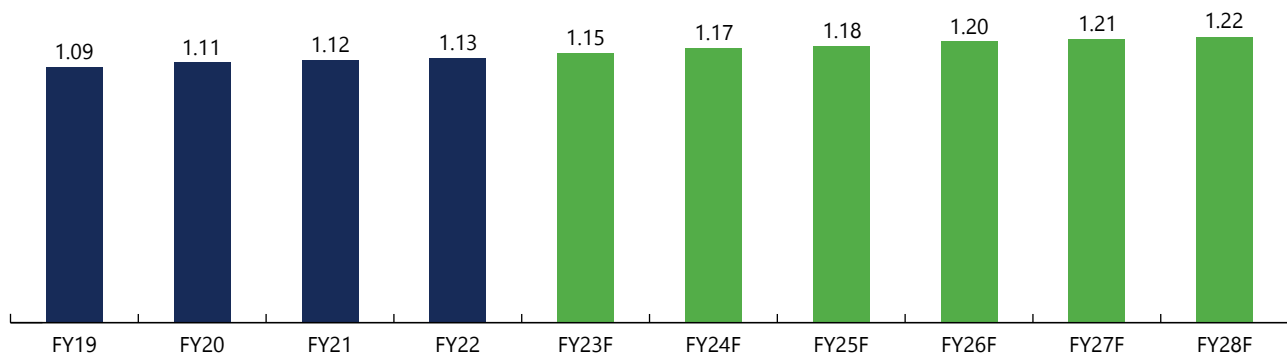
(e) Telecommunications and retail (mobile network and retail buildings)

Australia has seen significant cellular mobile infrastructure investment, in particular across 4G and more recently 5G networks from the private sector and federal government programs. The ongoing 5G network rollout and various government programs including the Mobile Black Spot Program are expected to support maintenance activity over the short to medium term whilst population growth is expected to be the driving force behind longer term maintenance spending. (Source: Oxford Economics Maintenance in Australia May 2023 Report – page 65).

Retail building maintenance relates to the maintenance of shopping centres, retail depots and similar consumer orientated facilities. Tasmea, through its subsidiaries, holds maintenance contracts relating to the electrical refurbishment, upgrade and maintenance for large supermarket chains across their property portfolios. The outlook for retail maintenance is expected to increase with the return of consumers to shopping centres post pandemic, however over the medium term maintenance expenditure is expected to be abated in favour of refurbishments. (Source: Oxford Economics Maintenance in Australia May 2023 Report – page 121).

The combined maintenance services spending across mobile network and retail buildings is expected to total to \$1.2 billion in FY24 with a forecast CAGR of 1.2% to FY28 resulting from the abovementioned growth drivers.

Figure 8: Mobile Network and Retail Buildings Maintenance (\$bn)

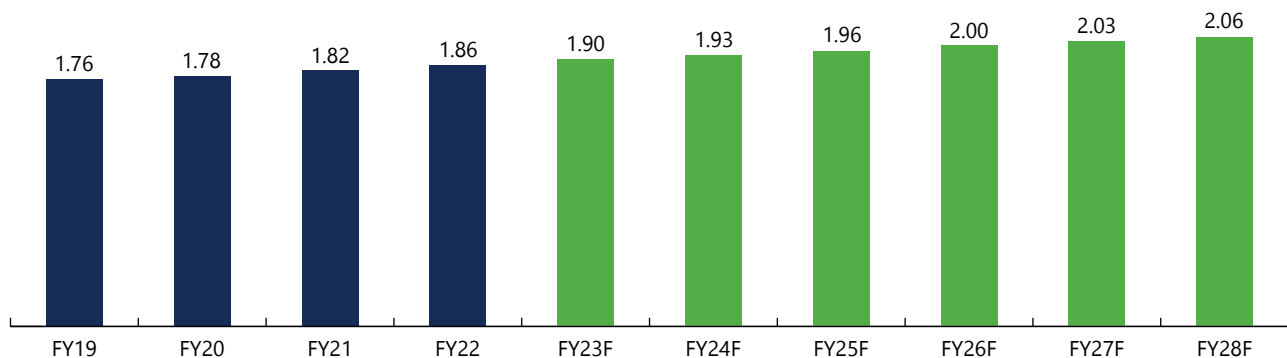


(f) Waste and water (water supply, storage and sewerage & drainage)

Maintenance expenditure on Australia's water supply and storage facilities as well as sewerage and drainage infrastructure are expected to increase due to additions to the asset base driven by population growth and increasing maintenance requirements of aging assets.

As a result of this, the water supply and storage and sewerage and drainage maintenance sector is forecast to total \$1.9 billion in FY24 and projected to grow steadily at a CAGR of 1.7% between FY24 and FY28. (Source: Oxford Economics Maintenance in Australia May 2023 Report – page 57-58).

Figure 9: Waste and Water Maintenance (\$bn)



2. INDUSTRY OVERVIEW

2.4 Demand drivers

The principal demand drivers for maintenance services in the Company's serviceable available market are outlined below.

(a) Size of the asset base, its average age and utilisation

The maintenance requirement is driven by the size of the asset base, the age of the asset and the utilisation intensity of the asset.

As the physical asset base grows, the overall demand for maintenance increases, assuming all other factors remain constant. Assets nearing the end of their designed life necessitate higher levels of maintenance. The level of utilisation of assets directly impacts the maintenance needs as assets require regular maintenance.

(b) Flexibility requirement for specialty maintenance services

The requirements for specialty maintenance services range from programmed maintenance to emergency breakdown situations.

Essential asset owners have different approaches to plant and equipment care including scheduled periodic shutdowns involving specialist crews to undertake necessary refurbishment and restoration to reactionary situations to plant breakdown necessitating emergency repair, especially during high traffic periods. The combined factors of the above make it difficult for essential asset owners to employ and retain in-house maintenance crews with the appropriate skill sets, resulting in the need for outsourced solutions.

(c) Sophisticated technology

Sophisticated technology serves as a strong driver for the demand of mining maintenance services. As mining operations increasingly rely on advanced machinery and equipment, the need for specialised maintenance and repair services grows. Complex technologies require skilled technicians who can efficiently diagnose and address issues to ensure uninterrupted operations. Additionally, advanced systems often require regular updates, optimisation, and preventive maintenance to maximise their performance and lifespan.

(d) Trading outlook

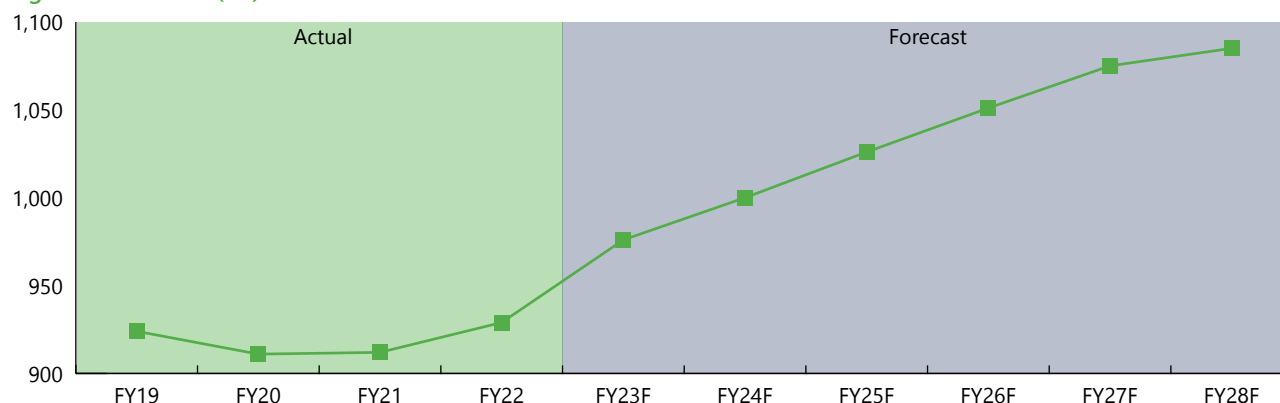
When faced with uncertain economic conditions and trading outlook, essential asset owners often prioritise short-term reactions, tend to reduce maintenance budgets and seek flexibility from outsourced maintenance service providers with specific skilled labour available when needed. In addition to these, essential asset owners tend to operate plants at a higher utilisation rate which increase breakdown and necessitate emergency maintenance services.

(e) Commodity production

Australia has experienced growth in metal ore production over the last three years and the growth in Iron Ore and Copper is expected to continue over the next five years (Source: IBISWorld report, page 9 of B0801 Iron Ore Mining report and page 9 of B0803 Copper Ore Mining Report).

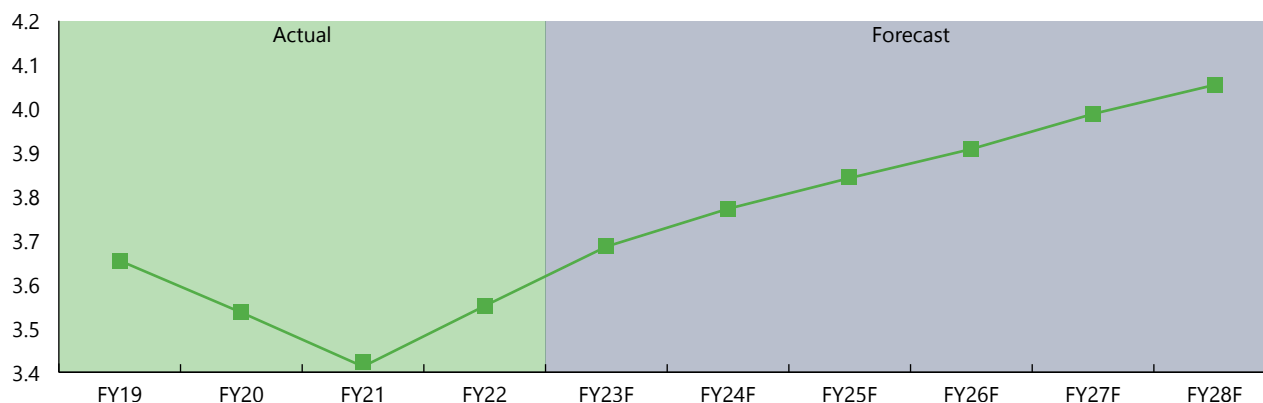
The demand for the Australian metal ore, production is driving existing fixed plant maintenance needs and future capital expenditure bringing new plant on stream to meet demand.

Figure 10: Iron Ore (mt)



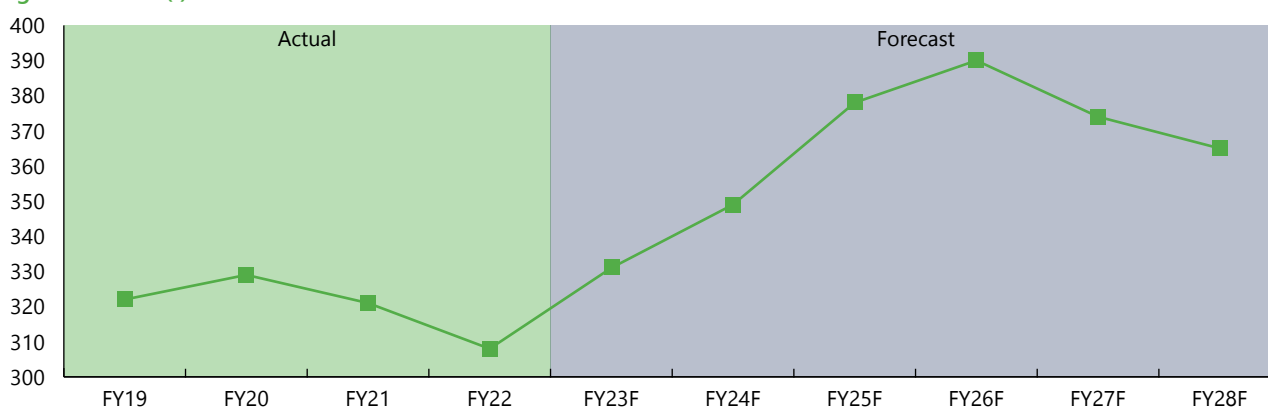
(Source: IBISWorld report – B0801 Iron Ore Mining in Australia Industry Report)

Figure 11: Copper (mt)



(Source: IBISWorld report – B0803 Copper Ore Mining in Australia Industry Report)

Figure 12: Gold (t)



(Source: IBISWorld report – B0804 Gold Ore Mining in Australia Industry Report)

Oil and gas output has expanded over the past decade due to the completion of the oil and gas facilities and the growing demand globally. Future production growth is expected to be limited with new projects largely offset by ageing fields and increasing pressure to reduce emissions. Whilst the future capital investment on new projects is expected to reduce, in turn, the ongoing maintenance expenditure is expected to continue of the large existing asset base.

(Source: IBISWorld Report – OD5426 Oil and Gas Field Services in Australia Industry Report and B0700 – Oil and Gas Extraction in Australia)

Demand for solar, wind and hydro electricity generation is rising as customers, investors and the government are looking for cleaner and renewable energy. Australian renewable energy operators have invested significantly into wind and solar farms in particular over the last decade underwriting the ongoing maintenance requirements. Although renewable energy generators are less maintenance intensive, ongoing maintenance is expected to be consistent particularly at the generating facilities as it is more cost-effective to maintain the networks than having the network go offline.

(Source: IBISWorld Report – D2612 Hydro-Electricity Generation in Australia Industry Report, D2619A Wind and Other Electricity Generation in Australia Industry Report and D2619B Solar Electricity Generation in Australia Industry Report)

2. INDUSTRY OVERVIEW

2.5 Competitive landscape

The Company believes that the Australian maintenance services industry is fragmented and principally comprises of businesses providing generalist services, together with a small number of specialist service providers. Smaller operators tend to conduct business within specific geographic areas. Tasmae predominately provides specialist services to remote locations targeting regional areas and essential asset owners with an Australia wide reach.

Operators in the maintenance services generally compete on skill level, quality of services, price, capability and flexibility to provide services, ease of engagement and safety record.

There are several service providers operating in the markets within which Tasmae's subsidiaries are active, however only a limited number of companies have similar capabilities and have the scale and range of services offered by the Tasmae Group.

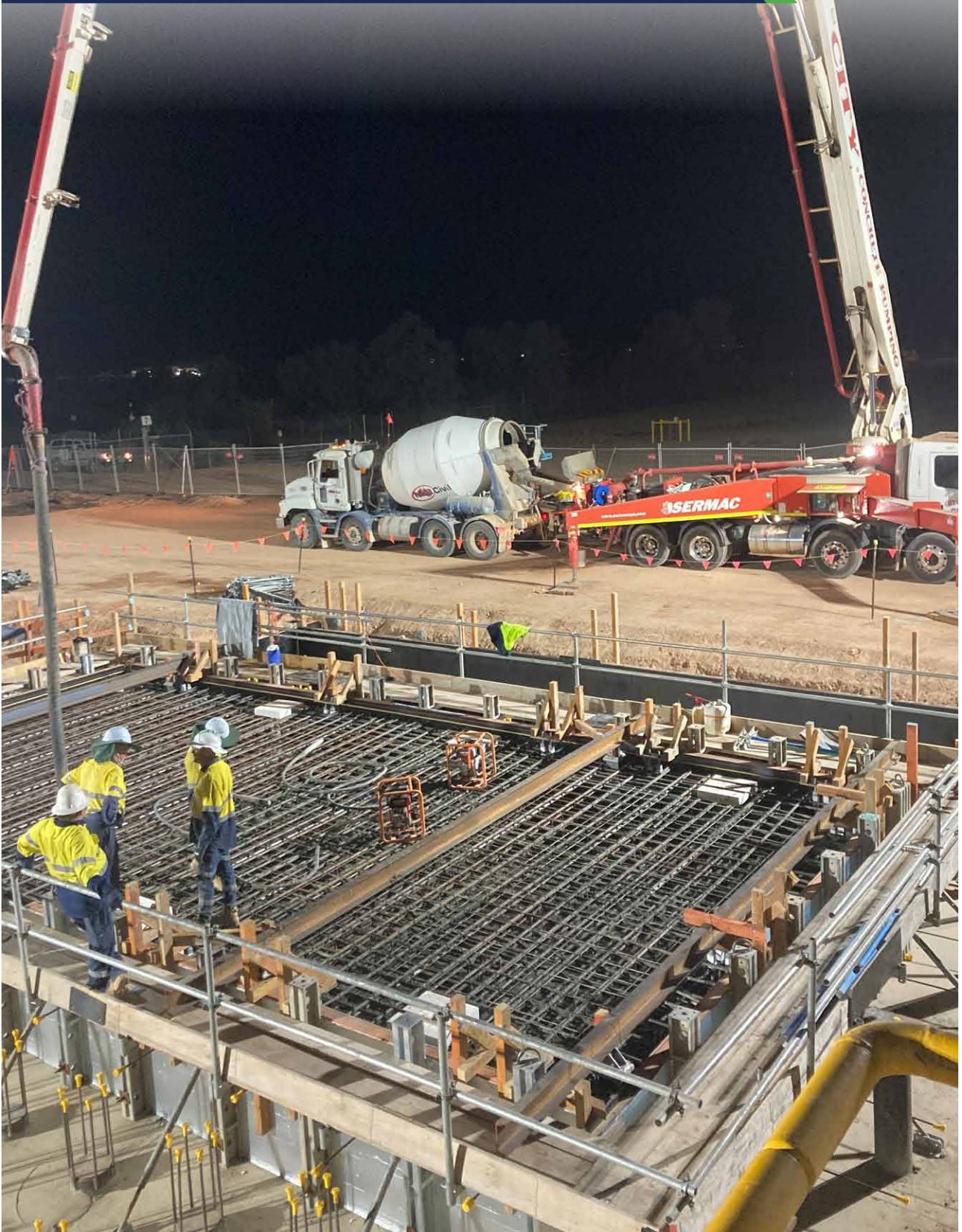
The Tasmae Group's service offering is diversified across the six Focus Industry Sectors which are further diversified into niche subsectors. Tasmae believes that this market position allows Tasmae's underlying businesses to be a recognised brand name in their field of work and area of reach. Tasmae believes that its combination of a safety first approach, focus on delivering value, ease of engagement, quality workmanship and specialist skillset provide it with a compelling competitive position in the market.

Tasmae considers the following to be the key barriers to entry into specialist maintenance service sector:

- deep technical expertise and industry knowledge;
- industry segment coverage and diverse service offering;
- track record of quality of service and safety record;
- established customer relationships with essential asset owners;
- access to skilled and specialist workforce; and
- geographical presence across key remote mining regions.

SECTION THREE

COMPANY OVERVIEW



3. COMPANY OVERVIEW

3.1 Introduction

Tasmea owns 18 businesses including Yura Yarta which is 49% owned by Tasmea in order to obtain Supply Nation accreditation. These eighteen businesses comprise the Tasmea Group, which collectively provides maintenance services including essential shutdown, programmed maintenance, emergency breakdown and sustaining capital upgrade services.

The Tasmea Group's typical customers are asset and infrastructure owners of fixed plant and equipment operating in essential Australian industries. These industries include the mining and resources, oil and gas, power and renewables, defence and infrastructure, telecommunications and retail and waste and water industries.

The Tasmea Group's operations are primarily located in Australia's remote regions where most of its customers are based and the majority of its 1,400 employees are situated.

The Tasmea Group's services are delivered across its four service areas including Electrical, Mechanical, Civil and Water & Fluid, and Tasmea's subsidiaries are often a significant service provider in the remote regions in which they operate.

The Tasmea Group has a programmatic acquisition strategy to create value by buying specialist trade businesses, mostly in remote regions, and scaling them up by offering their specialist services to its national customer base. The Company believes it has a disciplined acquisition and integration process that underpins its programmatic acquisition strategy which in turn complements its existing organic growth strategies.

Tasmea's core guiding principle is "Delivering Value – Always!" and Tasmea aims to deliver value to its customers, people, suppliers, Shareholders and the communities in which it operates.

3.2 History

1999

Tasmea Limited (previously called Australian Turnaround Investment No.1 Pty Ltd, Percheron Capital Pty Ltd and E&A Limited) was established in 1999, with the view to grow shareholder value by acquiring and operating private businesses.

2001 to 2007

Acquired multiple trade-based businesses including Louminco, Heavymech, Ottoway Engineering, Whyalla Fabrications (later renamed to Ottoway Fabrication) and Fabtech Australia to exploit the proposed expansion of Olympic Dam, South Australia.

Listed on the ASX in 2007 with a turnover of approximately \$90 million and approximately 280 employees.

2008 to 2011

Grew its existing business portfolio organically by expanding the previously South Australian focussed businesses nationally.

Acquired Quarry & Mining Manufacture and Blucher Australia (later rebranded to Auspress) in 2008.

Acquired ICE Engineering & Construction in 2009, adding industrial electrical capability.

2012 to 2017

Following the Global Financial Crisis, E&A Limited (now Tasmea Limited) secured a number of large construction projects. Whilst these contracts were initially successful, significant losses were incurred following the mining industry construction collapse. A number of these projects were on the west coast, allowing Tasmea to expand its presence in Western Australia and in 2014 the Company established a permanent footprint in Western Australia by acquiring Tasman Power.

As a result of large construction project losses, the Company sold its engineering construction businesses and repositioned its focus towards essential shutdown, recurring maintenance and sustaining capital projects and commenced exiting "lump sum construction contracting". This restructure took several years as disputed debts were recovered and debt was reduced. The restructure concluded with the delisting of E&A Limited in May 2017 with Shareholder approval, as the Company's market capitalisation was no longer reflective of the underlying asset value.

The Company focused its remaining business operations to service customers across three key technical capabilities being electrical services, mechanical services and water & fluid services.

Consistent with its new strategy focusing on maintenance, the Company established Tasman Rope Access as a start-up venture in 2015/16 and introduced these services to its existing customers throughout Western Australia.

2018 to 2021

Expanded Tasman Rope Access operations to South Australia and Queensland in 2019 leveraging its existing customer relationships.

Acquired North West Mining and Civil (NWMC) in 2020 adding civil services to its Western Australian operations.

Acquired M&B Civil on 1 October 2020 providing civil capability to the Cooper Basin region of South Australia and Queensland.

Tasman Rope Access established a training centre in Adelaide, South Australia and expanded operations to central Queensland through an additional office in Gladstone in 2021.

2022

Acquired Laptek Systems and its associated business, TLS, on 4 February 2022, A. Nobles & Sons on 1 August 2022 and TAMS on 1 July 2022 throughout calendar year 2022, adding additional electrical and mechanical service offerings.

2023

Acquired Corfield's Electrical on 1 October 2022 adding additional electrical service offerings in addition to the acquisition of Sigma Power Services (SPS) on 1 April 2023 adding high voltage electrical services capabilities and expanded its services to drill and blast rig servicing and refurbishment through acquiring Groundbreaking Mining Solutions (GMS).

Achieved pro forma revenue of \$368 million for FY23.

2024

Further diversifying its mechanical maintenance capabilities and geographical presence by settling the acquisition of Forefront Services (Forefront) on 7 February 2024. Total workforce numbers reaching in excess of 1,400 employees.

3. COMPANY OVERVIEW

3.3 Locations

The Tasma Group operates from Perth, Western Australia and has offices in each mainland State including a number of regional centres throughout Australia. Tasma's strategy is to provide specialist maintenance, emergency breakdown and sustaining capital upgrade services targeting remote locations across Australia where our customers' fixed plant is located. Tasma's subsidiaries have a flexible approach to managing its workforce with core teams of employees engaged in each of the remote locations which are supplemented by the Tasma Group's ability to mobilise its skilled employees to deliver projects across Australia, in both metropolitan and remote locations.

An overview of the Tasma Group's operating locations is outlined in Figure 13 below.

Figure 13: Tasma operating locations



3.4 Operations

Tasma is not a trading entity. The Tasma Group delivers its services through its subsidiaries with a focus on maintenance services relating primarily to the following four specialist technical capabilities:

- Electrical;
- Mechanical;
- Civil; and
- Water & Fluid.

Over the past 24 years, Tasma has grown to deliver these capabilities through 18 subsidiaries which retain their individual legal status and unique branding. Each Tasma subsidiary is managed by a separate chief executive and executive team. The objective of this decentralised approach is to maintain each business' skill based and its close working relationships with customers and suppliers. The 18 businesses are supported by Tasma's leadership and corporate services team, including:

- Business direction;
- Human Resources/Recruitment;
- Capital and Finance (i.e. debt and equity);
- Legal;
- Insurance;
- Business Development; and
- Insurance.

The complementary specialist technical capabilities provided by Tasma's 18 businesses are outlined in Figure 14 below.

Figure 14: Tasma's technical capabilities

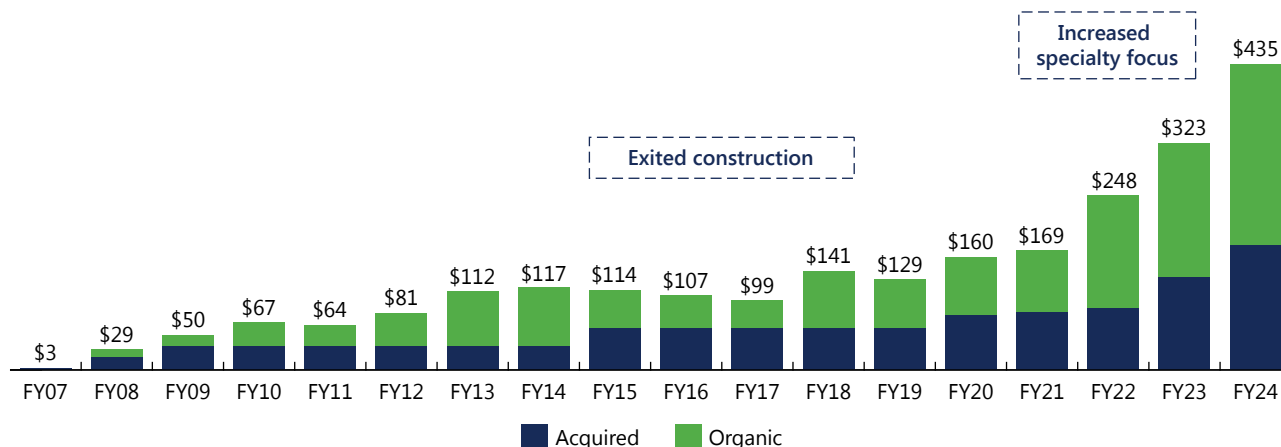
Electrical	Mechanical	Civil	Water & Fluid
\$123m FY23A revenue	\$135m FY23A revenue	\$43m FY23A revenue	\$67m FY23A revenue
94% derived from repeat customers	96% derived from repeat customers	96% derived from repeat customers	86% derived from repeat customers
 <p>A TASMEA COMPANY</p>	 <p>A TASMEA COMPANY</p>	 <p>A TASMEA COMPANY</p>	 <p>A TASMEA COMPANY</p>
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 <p>A TASMEA COMPANY</p>	 <p>A TASMEA COMPANY</p>		

Note: Repeat customer revenue refers to revenue derived from customers who had also been serviced by the same subsidiary in the past two years.

3. COMPANY OVERVIEW

Tasmea has a strong history of acquiring businesses, integrating them into the Tasmea structure and scaling-up each to achieve strong organic revenue growth. Since establishment, the Company has acquired businesses that produced revenues totalling \$177 million at the time of the acquisition. Tasmea businesses are now forecast to generate \$435 million of revenue in FY24F, representing a weighted organic growth CAGR of 29% (Note 1).

Figure 15: Acquired and organic revenue growth (A\$m)



Note 1: Pro forma basis, measured from each subsidiary acquisition year, and before intercompany eliminations.

3.5 Customers and capabilities

Tasmea services a wide range of blue-chip customers across the six focus industries. The customer base is diversified across large miners, oil and gas producers, infrastructure owners and federal, state and local government organisations.

Mining and resources	RioTinto	BHP	FMG	LIBERTY ONESTEEL	Newmont
Oil and gas	apa	beach	ENSIGN ENERGY SERVICES INC.	arrow	origin
Waste and water	VEOLIA WATER	SA Water	Melbourne Water	Sydney WATER	WATER CORPORATION
Power and renewables	SIEMENS energy	EnergyAustralia	SA Power Networks	FORTESCUE FUTURE INDUSTRIES	ENERFLEX
Defence and infrastructure	Australian Government Department of Defence	Downer	sodexo	DP WORLD	ADBRI
Telecommunications and retail	Woolworths	NOKIA	ERICSSON	reece	swan

Siemens Energy is a trademark licensed by Siemens AG.

The Tasma Group delivers its services across four key service streams:

(a) Electrical

The Tasma Group operates six electrical businesses providing a range of industrial electrical services including electrical shutdown, preventative, programmed and reactive maintenance, emergency breakdown repairs, fault finding, statutory compliance, electrical upgrades for brownfield and greenfield projects, and high-voltage testing and commissioning. These services are delivered to all of Tasma's six Focus Industry Sectors.

Examples of the Tasma Group's electrical services and the customers it serves are outlined below.

Key Industry Sector	Example Services
Mining and resources	<ul style="list-style-type: none"> Install and commissioning support of Cathode Stripping Machine on mine site. Mine shutdown electrical maintenance services for mines.
Oil and gas	<ul style="list-style-type: none"> Main switch room upgrade including pre-commissioning, install, test and commissioning at oil field processing plants.
Waste and water	<ul style="list-style-type: none"> Ongoing 24-hour holistic electrical infrastructure maintenance including proactive, programmed and reactive maintenance.
Power and renewables	<ul style="list-style-type: none"> Install, test and terminate over 90km of medium voltage cabling on solar farms.
Defence and infrastructure	<ul style="list-style-type: none"> Installation of a new main switchboard, and replacement of power and control cabling.
Telecommunications and Retail	<ul style="list-style-type: none"> Ongoing 24-hour comprehensive facilities management services delivered Australia wide to retail stores.

(b) Mechanical

The Tasma Group operates six mechanical businesses providing a range of services including fixed plant mechanical shutdown, sustaining capital upgrades, programmed maintenance and emergency breakdown services including working at heights and rope access solutions, statutory crane and lifting gear inspection, lifting and rigging equipment servicing, overhead crane servicing, blasting and painting, drill rig and blast equipment maintenance and overhaul, precision machining including horizontal and vertical boring, specialised fabrication, installation and programmed maintenance services for quarry, asphalt, concrete and recycling applications.

Examples of the Tasma Group's mechanical services and the customers it serves are outlined below.

Industry	Example Projects
Mining and resources	<ul style="list-style-type: none"> Shutdown maintenance undertaking the removal and replacement of primary crusher wall liners. Major overhaul of production drill and blast rigs.
Oil and gas	<ul style="list-style-type: none"> Support, design and manufacture of a 600-tonne capacity double sheave block for the lifting of a topside production platform.
Waste and water	<ul style="list-style-type: none"> Reparation work and application of final protective coating on 8,000 sqm dam wall in Western Australia.
Power and renewables	<ul style="list-style-type: none"> Full refurbishment and remanufacture of rotary breaker.
Defence and infrastructure	<ul style="list-style-type: none"> Green waste recycling plant installation and maintenance.

3. COMPANY OVERVIEW

(c) Civil

The Tasma Group operates two civil businesses offering programmed and emergency mine maintenance including civil and concrete services, civil construction, liquid waste management and facilities maintenance.

Examples of the Tasma Group's civil services and the customers it serves are outlined below.

Civil Industry	Example Projects
Mining and resources	<ul style="list-style-type: none">Construction of dome and office upgrade at a mine site in Western Australia.
Oil and gas	<ul style="list-style-type: none">Civil works for evaporation pond and interceptor pit.
Waste and water	<ul style="list-style-type: none">Installation of 980m long wave wall for water reservoir.
Power and renewables	<ul style="list-style-type: none">Compressor foundation with 400mm thick reinforced concrete ground slab on reinforced concrete bored piles.
Defence and infrastructure	<ul style="list-style-type: none">Civil works for modular semi portable radio towers in the Pilbara, Western Australia.

(d) Water & Fluid

The Tasma Group operates four water & fluid businesses providing a range of services including geosynthetic containment services (liners and covers) and biogas collection, lubrication solutions, maintenance and repair of auto lubrication systems and distribution of press-fit, drainage, press tool solutions predominately across stainless steel and copper products.

Examples of the Tasma Group's water & fluid services and the customers it serves are outlined below.

Industry	Example Projects
Mining and resources	<ul style="list-style-type: none">Scope, supply, installation and maintenance of lubrication systems to crusher plants in Pilbara mine sites.
Oil and gas	<ul style="list-style-type: none">Installation of geomembrane lining systems across waste water treatment ponds.
Waste and water	<ul style="list-style-type: none">Design, supply and installation of anaerobic lagoon covers for waste water treatment ponds.
Power and renewables	<ul style="list-style-type: none">Design, supply and installation of complex-multi layer geomembrane lining system for river diversion channels.
Defence and infrastructure	<ul style="list-style-type: none">Supply and installation of a 170,000m² landfill cap to council landfill projects requiring 680,000m² of material.
Telecommunications and Retail	<ul style="list-style-type: none">Provision of stainless steel press-fit fire sprinkler system across industrial warehouse and retail buildings.

3.6 Workforce

(a) Overview

The Tasma Group employs over 1,400 people across Australia's States and Territories. Of these employees, approximately 650 are employed on a casual basis with the remainder on a permanent full time or part time basis.

Majority of the casual employees elect to remain casual as this flexibility suits their lifestyle giving them the option to work when they wish. In accordance with the existing industrial relation legislation, these employees are offered permanent full-time employment every six months.

The workforce consists primarily of a diverse range of skilled tradespeople with specialist technical capabilities, together with a smaller number of professionals and administration staff in finance, legal and human resources. Where possible, staff are employed from, or close to, the remote and regional locations where the work is performed.

The Tasma Group's employees by location and segment are outlined in Figure 16 and Figure 17 below.

Figure 16: Employees by State

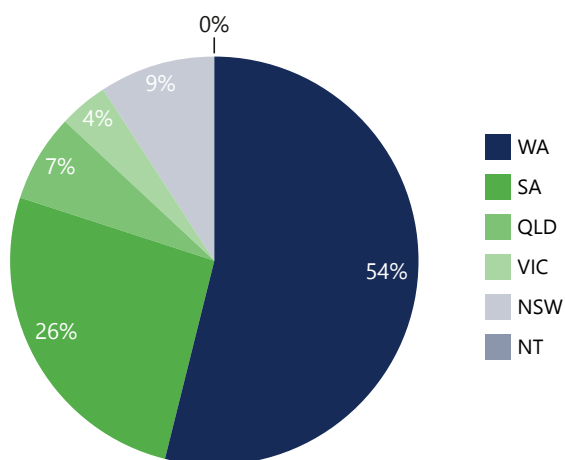
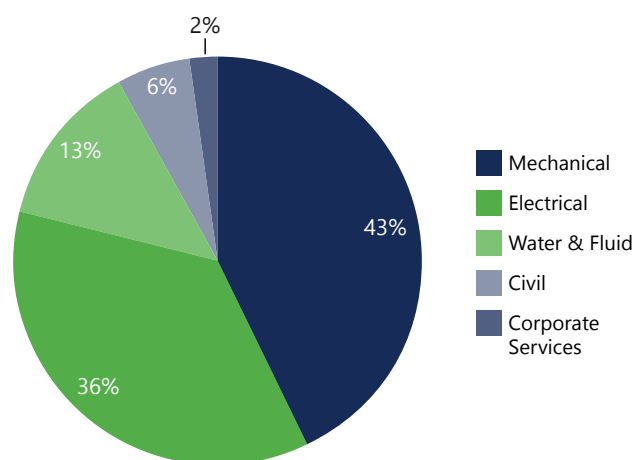


Figure 17: Employees by Segment



Almost all employees are introduced to Tasma's culture, conduct, policies and procedures through a comprehensive induction process with a strong focus on health and safety and are provided with ongoing on the job and offsite training.

Tasma believes its workforce culture, and reputation for quality of services, is built on:

- skills in recruitment and workforce upskilling;
- teamwork and results driven culture;
- communication systems ensuring clear responsibility and accountability;
- empowered staff able to take initiative to deliver individually and as a team;
- disciplined safety protocols and personal commitment to safe work practices; and
- forward thinking solution providers utilising niche sector knowledge.

The Tasma Group's skilled workforce is employed by each of its businesses under the relevant Enterprise and Collective Agreements applicable to each business unit or through individual contractual agreements. The Tasma Group's employees are not required to disclose union membership and accordingly the percentage of employees that are represented by labour unions is unknown to the Company.

(b) Aboriginal and Torres Strait Islander workforce

Tasma, through its joint venture with Yura Yarta, is creating meaningful skilled trade based employment and training opportunities across the Aboriginal and Torres Strait Islander communities.

Yura Yarta is aiming to establish an Indigenous workforce by 2025. Tasma leverages its subsidiaries' long-term customer relationships and established industry networks to enhance Indigenous work participation across Australia. This plan includes external recruitment, fostering Indigenous engagement internally, and collaborating with the Waalitj Foundation to provide diverse employment pathways.

Furthermore, Tasma's broad service range allows Indigenous candidates to explore varied work types and provide career choices. Tasma is engaging with local Indigenous elders to identify talent and sources suitable job opportunities with the assistance of its customer base who actively encourage skill development and workforce participation from Aboriginal and Torres Strait Islander communities across their key projects.

3. COMPANY OVERVIEW

3.7 Management

Tasmea's success and growth is driven by the executive management team and senior executives across each of Tasmea's 18 businesses.

Tasmea's leadership team, led by Founders, and Managing Director, Stephen Young and Executive Director, Mark Vartuli together with Chief Operating Officer, Jason Pryde comprises an experienced mix of corporate and former trade-based executives with industry knowledge and established customer and supplier relationships. They are complemented by a corporate team experienced in financial, legal and human resource management and senior executives within each of Tasmea's 18 businesses.

Tasmea's management are outlined below.

Tasmea Limited Executive Team



Stephen Young
Founder
Managing Director

27 Years of Service



Mark Vartuli
Founder
Executive Director

26 Years of Service



Jason Pryde
Chief Operating Officer
Executive Director

16 Years of Service



Simone Thompson
Chief Financial Officer
Secretary

4 Years of Service

Subsidiary Chief Executive Tenure

Electrical	Mechanical	Civil	Water & Fluids
25 Years of Service	28 Years of Service	10 Years of Service	20 Years of Service
16 Years of Service	14 Years of Service	3 Years of Service	20 Years of Service
15 Years of Service	10 Years of Service		17 Years of Service
12 Years of Service	10 Years of Service		7 Years of Service
3 Years of Service	7 Years of Service		
2 Year of Service	3 Years of Service		

■ Subsidiary founder ■ Continuing employee post Tasmea acquisition ■ Lateral hire

Tasmea considers that the long tenure across most of the Tasmea Group's senior leadership is a competitive advantage. Chief Executives of Tasmea's subsidiaries are composed of five original founders, eight continuing employees and five lateral hires. Refer to Section 7 for further information about the executive management team.

3.8 Major and recurring customers

The Tasma Group has a diversified customer base predominately consisting of essential service asset owners including large miners, oil and gas producers, utility operators, infrastructure owners, and local, state and federal government organisations.

The Tasma Group believes it has a blue-chip customer base of asset and infrastructure owners. The Tasma Group top 5 and top 10 customers represented 41% and 54% of FY23 pro forma consolidated revenue respectively. However, this consolidated revenue was earned by 18 subsidiaries operating independently or in a limited number of circumstances working together to provide a seamless service incorporating a combination of trade skills.

The Tasma Group has a track record of long-term customer retention and contract renewals, underwriting recurring revenue streams.

Figure 18: Top 10 Customers (FY23 Pro forma)¹

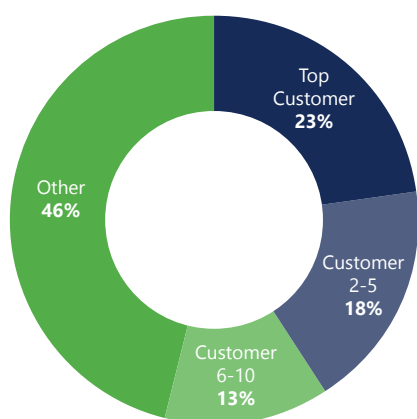
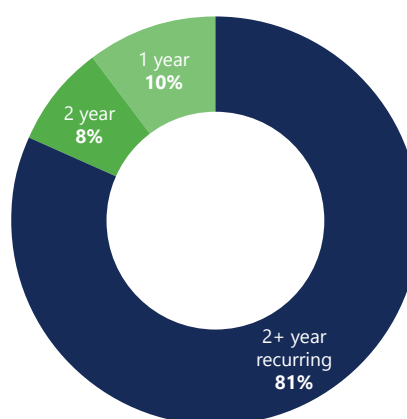


Figure 19: Recurring Customers (FY23 Pro forma)²



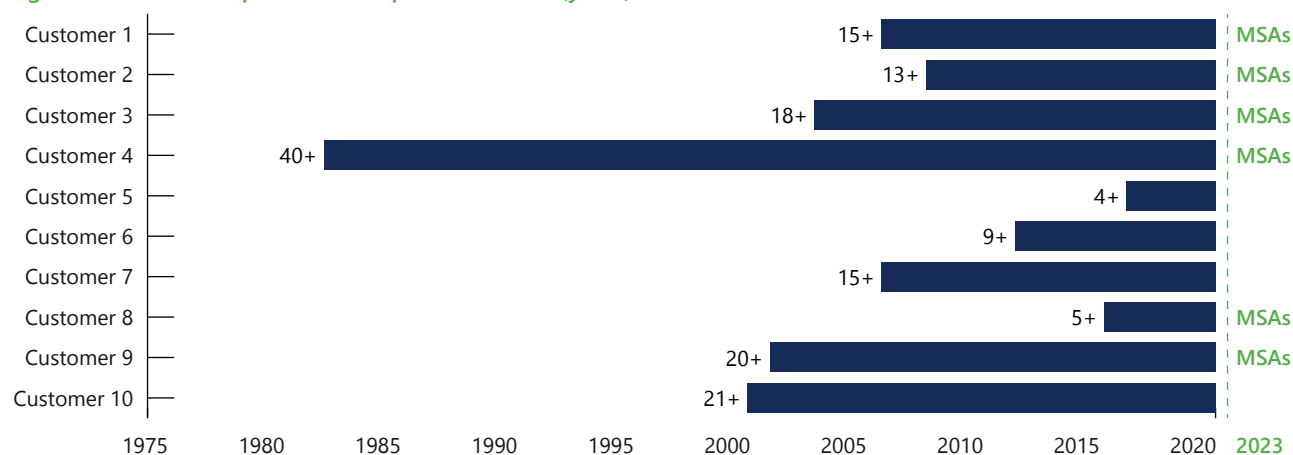
Note:

1. The 'Top Customer' is a large mining group, which is serviced by seven separate Tasma subsidiaries and under eight MSAs.
2. Revenue generated from customers who have traded with Tasma for the respective number of consecutive years identified in the chart.

Tasma's subsidiaries have long standing relationships with the Tasma Group's top 10 blue-chip customers ranging from 4 to 40 years of continued service. Many of the Tasma Group's customer relationships are supported by MSAs and FMAs.

Figure 20 presents the relationship tenure of top 10 customers.

Figure 20: Relationship tenure of top 10 customers (years)



The Tasma Group has a track record of long-term customer retention and contract renewals, underwriting recurring revenue streams.

3. COMPANY OVERVIEW

3.9 Commodity, industry and location exposure

Tasmea’s strategy is to have a diversified customer base in terms of the commodities produced by, industry sectors of and the locations of, its customers. Tasmea believes that diversified commodity and industry exposure creates a hedge against individual commodity cycles and industry volatility. The Tasmea Group generates revenue across all Australian States and Territories providing geographic diversification. The Tasmea Group’s operations are largest in Western Australia and South Australia. Going forward, the Tasmea Group believes it has expansion opportunities in Queensland and further penetration across Western Australia, both from organic growth and future acquisitions.

The Tasmea Group’s FY23 pro forma revenue by commodity, industry and state is outlined in Figure 21, Figure 22 and Figure 23 below.

Figure 21: Revenue by Commodity (FY23 Pro forma)

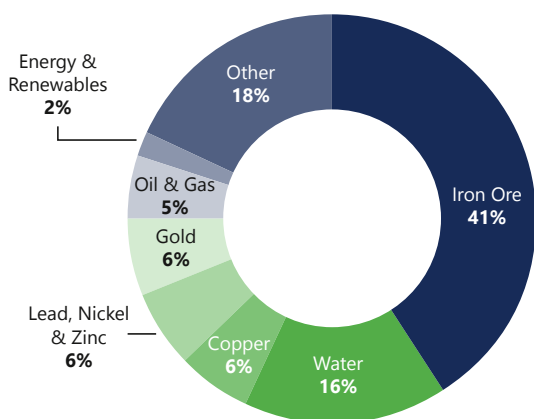


Figure 22: Revenue by Industry (FY23 Pro forma)

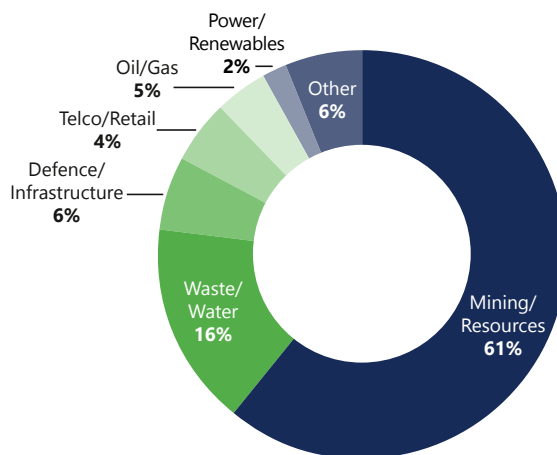
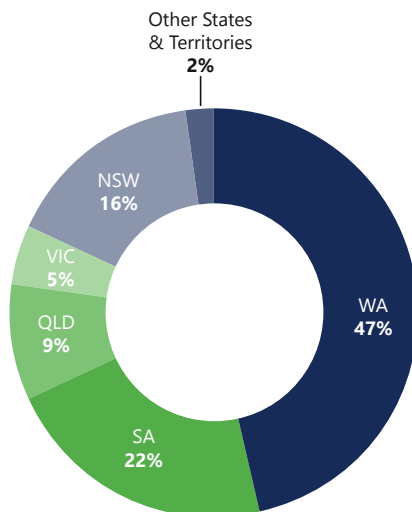


Figure 23: Revenue by Geography (FY23 Pro forma)



3.10 Customer engagement approach

The Tasma Group generates most of its revenue from repeat customers, many of which are contractually supported by Master Service Agreements (MSA) and Facility Management Agreements (FMA). These agreements do not oblige the customer to provide any particular quantity of work to Tasma's businesses but set out an agreed schedule of hourly rates and materials fees for the workforce and specialist equipment respectively. A summary of the material terms and conditions of the MSAs and FMAs are outlined in Section 8.7(b).

For customers without an MSA or FMA, Tasma's subsidiaries usually submit hourly rates and material fees for a particular scope of work. These customers are typically repeat customers and are engaged on agreed rates which are periodically reviewed.

The Tasma Group's services are generally invoiced based on the agreed schedule of hourly rates and materials for maintenance services based on an indicative scope, or a fixed fee for services for a defined scope. The schedule of hourly rates charged to customers varies in line with the type of specialised skilled services delivered and the urgency at which the service is requested.

Tasma's subsidiaries also provide services on an ad hoc basis to customers with hourly rates or fixed scopes of work agreed on a project-by-project basis. This type of customer engagement constitutes only a small portion of the Tasma Group's revenue.

Typically, customers request Tasma's subsidiaries to supply a set number of skilled tradespeople to perform services at customers' sites, or within the Tasma Group's workshops for an estimated period of time. Work of this nature includes essential shutdown, reactive and programmed maintenance and emergency breakdown. Tasma's subsidiaries also deliver a fixed fee for service applicable to sustaining capital projects.

3.11 Tasma's competitive advantages

Tasma considers it has a number of competitive advantages and it aims to differentiate itself from the larger contracting service providers and smaller businesses by the following attributes:

(a) Culture and values

Driven by the principle of "Delivering Value – Always!", Tasma's core values serve as the foundation for Company culture and guide decision-making, and interactions with customers, employees, and partners across. Tasma's core values are:

- great people;
- safety first mentality;
- exceptional skill;
- exemplary service;
- authentic care; and
- common systems and processes.

(b) Dedicated focus on maintenance services

Tasma strategically positions its businesses by servicing essential asset owners and operators in essential Australian industries through maintenance, breakdown repair and sustaining capital upgrades. This focus generates stable recurring earnings and cash flows as opposed to engaging in lump sum construction contracting. This dedicated focus on maintenance and breakdown repair has enabled Tasma's subsidiaries to develop strong sector expertise within the specialist areas served by its businesses.

(c) Scale and national reach

By servicing every Australian State and Territory, the Tasma Group leverages its expansive scale and national reach to provide complementary maintenance, emergency breakdown and sustaining capital upgrade services across diverse geographic regions.

The Tasma Group pursues regional expansion by establishing a local presence in premier mining, oil and gas and industrial regions offering complementary services, often operating in harsh environments where assets require significant maintenance. This extensive coverage and deep local knowledge enables efficient service delivery and site accessibility through close proximity to customers.

3. COMPANY OVERVIEW

(d) Multi-brand approach and diversified service range

Tasmea offers its subsidiaries' skilled services independently relying upon the shared Tasmea culture to deliver a service valued by the Tasmea Group's customers. The skilled maintenance services offered through Tasmea's businesses establish multiple touchpoints with the same customers, which Tasmea believes this promotes enhanced customer engagement and convenience. This strategic approach ensures that the Tasmea Group can adapt and cater to varying customer preferences and market demands. Where required Tasmea's subsidiaries offer skills on a combined and seamless basis.

(e) Decentralised operating model

Tasmea's businesses are standalone and are supported by a small corporate office. Tasmea considers this approach creates greater accountability and recognition, enhanced specialisation of services offered and increased focus on meeting and exceeding customer needs. Tasmea believes its decentralised model helps it achieve industry leading margins and enables disciplined cash flow management.

(f) Safety

Tasmea places safety at the forefront of its operations. Each Tasmea subsidiary's unwavering commitment to safety is reflected in its individual safety contracts, accountability measures, and safety record. The Tasmea Group's dedication to maintaining a safe work environment has been recognised through awards such as the 2023 Rio Tinto Health and Safety Award for 2023. The Tasmea Group is proud of its employees and their exceptional track record of over 4,000 days without a LTI.

The Tasmea Group has a large portfolio of licenses and accreditations which allows Tasmea's subsidiaries to operate and ensure their workforce is as safe as possible. Furthermore, some of the Tasmea's subsidiaries are members of industry bodies and associations. An exemplary list of licenses, accreditations and industry associations are as follows:

- QCSE ISO 9001 Quality Certified System;
- QCSE ISO 45001 Safety Certified System;
- QCSE ISO 14001 Environmental Certified System;
- QCSE Management Systems Certified Company;
- Det Norske Veritas (DNV);
- Lifting Equipment Engineers Association;
- IRATA International;
- National Association of Testing Authorities; and
- Australian Water Association.

(g) Service excellence and long-term relationships

The Tasmea Group takes great pride in providing excellent service to its customers as evidenced by long-term customer retention and a track record of contract renewals.

The Tasmea Group's strong relationships are also reflected through more than 35 MSAs and 6 FMAs with customers which generate a stable and recurring revenue and earnings pipeline.

(h) Highly qualified workforce

The Tasmea Group employs a diversely expert workforce of over 1,400 and they advocate for learning and development. The Tasmea Group aims to foster a teamwork culture to empower and encourage accountability and respect.

Over 45% of the Tasmea Group's workforce are employed on a casual basis which provides Tasmea subsidiaries with greater flexibility to mobilise the workforce depending on customer and industry demand. Most of these casual employees work solely for a Tasmea subsidiary, however, for lifestyle reasons they choose when and which cycles they wish to work.

The Tasmea Group has an established track record of growth by using its ability to recruit and retain employees with exceptional trade skills. Whilst the labour markets have been tight, the Tasmea Group has demonstrated an ability to recruit to meet its growth plans. The Tasmea Group offers a combination of competitive remuneration and retention bonuses. In addition to recruiting locally, the Tasmea Group has also, where necessary, recruited skilled employees from offshore.

3.12 Growth strategy

Tasmea has a track record of organic growth and building Shareholder value by acquiring specialised trade skill businesses and scaling them up by offering those specialist services to the Company's national customer base. Tasmea achieved growth in pro forma revenue and EBIT for the two financial years to FY23 of 71% and 45% respectively.

Tasmea is committed to build on its established organic and inorganic growth framework and distinct competitive advantages with the view to grow the business through the following specific growth strategies:

(a) Maintain current existing relationships and pursue new customers

The continued delivery of quality services to the Tasmea Group's existing essential service industry asset owners is critical to the Tasmea Group's organic growth. Tasmea recognises the importance of deepening its existing customer relationships to secure future work, expand alongside its customers growth, increase market share and expand its services offering across existing customers.

Building on Tasmea's strategic framework and leveraging its reputation, Tasmea will continue to focus on growing the business through providing maintenance services to targeted new essential service industry asset owners.

(b) Expand on new and complementary capabilities

The Tasmea Group will continue to capitalise on its national customer base by introducing new complementary capabilities adjacent to its existing electrical, mechanical, civil and water & fluid capabilities.

The Tasmea Group recognises that some of its customers often seek integrated solutions. When it is believed to create long term business and Shareholders value, the Tasmea Group is committed to provide a comprehensive suite of maintenance services that cater to its customers' evolving needs. By offering integrated specialist services through its businesses, it enhances the Tasmea Group's value proposition and fortifies its position as a one-stop destination for comprehensive maintenance solutions.

(c) Continue to diversify by commodity

Although exposure to iron ore had been and still is a material part of Tasmea's business, over the past few years, the Tasmea Group has diversified its operations into various commodities and energy resources including water, copper and renewable energy.

The Tasmea Group plans to continue to diversify its exposure across currently not or underserved commodity producers in order to mitigate potential risks associated with any particular economic and commodity cycles. Further diversification by commodity also provides an opportunity for Tasmea's subsidiaries to target new customers and tap into new revenue streams.

(d) Expand geographic coverage

Tasmea has a proven record in pursuing regional expansion by establishing a local presence in premier mining, oil and gas and industrial regions offering integrated services to essential asset owners and infrastructure operators. As an example, Tasmea recently acquired Corfield's Electrical to expand its geographic coverage into regional Queensland.

Tasmea plans to further expand its geographic coverage, penetrating new markets and territories targeting harsh environments where assets require significant maintenance services. A few examples of identified potential areas include the East Pilbara region in Western Australia, gold and copper mining regions in Western Australia and oil and gas fields in Queensland.

(e) Programmatic acquisitions

Tasmea's executive management of Mark Vartuli and Stephen Young are both experienced and skilled mergers and acquisitions practitioners. Consistent with Tasmea's disciplined approach to growth, Tasmea remains committed to expansion through strategic acquisitions. Tasmea routinely targets businesses that service industries with strong growth prospects and seeks to identify services where its customer demands are either not met or underserved. Tasmea seeks to generate revenue synergies by acquiring businesses that introduce new in demand capabilities to Tasmea's existing customers. Tasmea ensures that each acquisition aligns with its overall strategic fit and is complementary to its core capabilities.

Tasmea also strategically focuses on acquisition targets with a value where there are limited buyer alternatives (i.e. too large for owner operators to acquire and too small to attract private equity buyers).

3. COMPANY OVERVIEW

Wherever possible Tasmaea seeks to involve the vendors post acquisition and negotiate to pay part of the acquisition consideration on an earn out basis over 2 to 3 years.

Tasmaea makes regular small acquisitions and believes that the combination of disciplined acquisition, integration, and scaling up have enabled Tasmaea to achieve strong growth

(f) Specialist services for mobile plant and new technologies

Tasmaea currently focuses on the provision of fixed plant maintenance services to asset and infrastructure owners. The electrification of mobile plant and the use of remote-control technology presents significant growth opportunity for Tasmaea. Specifically, ICE Engineering is installing remote electric vehicle charging stations and Corfield's is providing maintenance services to a significant green energy provider.

3.13 Health and safety

Health and safety is paramount in everything the Tasmaea Group does.

The Tasmaea Group's dedication to safety is a core value that guides its operations and decision-making processes. As such, the Tasmaea Group is committed to ensuring the well-being of its employees by fostering a culture of safety with each individual taking responsibility, implementing robust safety measures, and continuously improving its practices.

The Tasmaea Group has established a comprehensive safety structure and systems that integrate safety practices into all of the Tasmaea Group's operations. The Tasmaea Group's dedicated safety team actively monitors workplace conditions, identifies potential risks, and develops proactive measures to mitigate hazards, maintaining a high safety standard through regular audits. Tasmaea's subsidiaries adopt a collaborative approach to safety, with subsidiary chief executives holding personal accountability for their teams' safety, leading by example, fostering compliance, and collaborating with the central safety team to implement successful initiatives throughout the organisation.

As part of the Tasmaea Group's safety approach, each employee enters into an individual safety contract. This contract outlines the employee's commitment to following safety protocols, participating in safety training, and reporting any potential hazards or concerns promptly.

As a result of this, the Tasmaea Group is proud of its demonstrated track record which now amounts to more than 4,000 LTI free days.

The Tasmaea Group's unwavering dedication to safety has been recognised by Tasman Power being awarded the 2023 Rio Tinto Health and Safety award as part of Rio Tinto's supplier recognition program. This accolade was awarded to Tasman Power as a result of their exceptional safety record which includes more than 10 years without incurring a lost time injury.

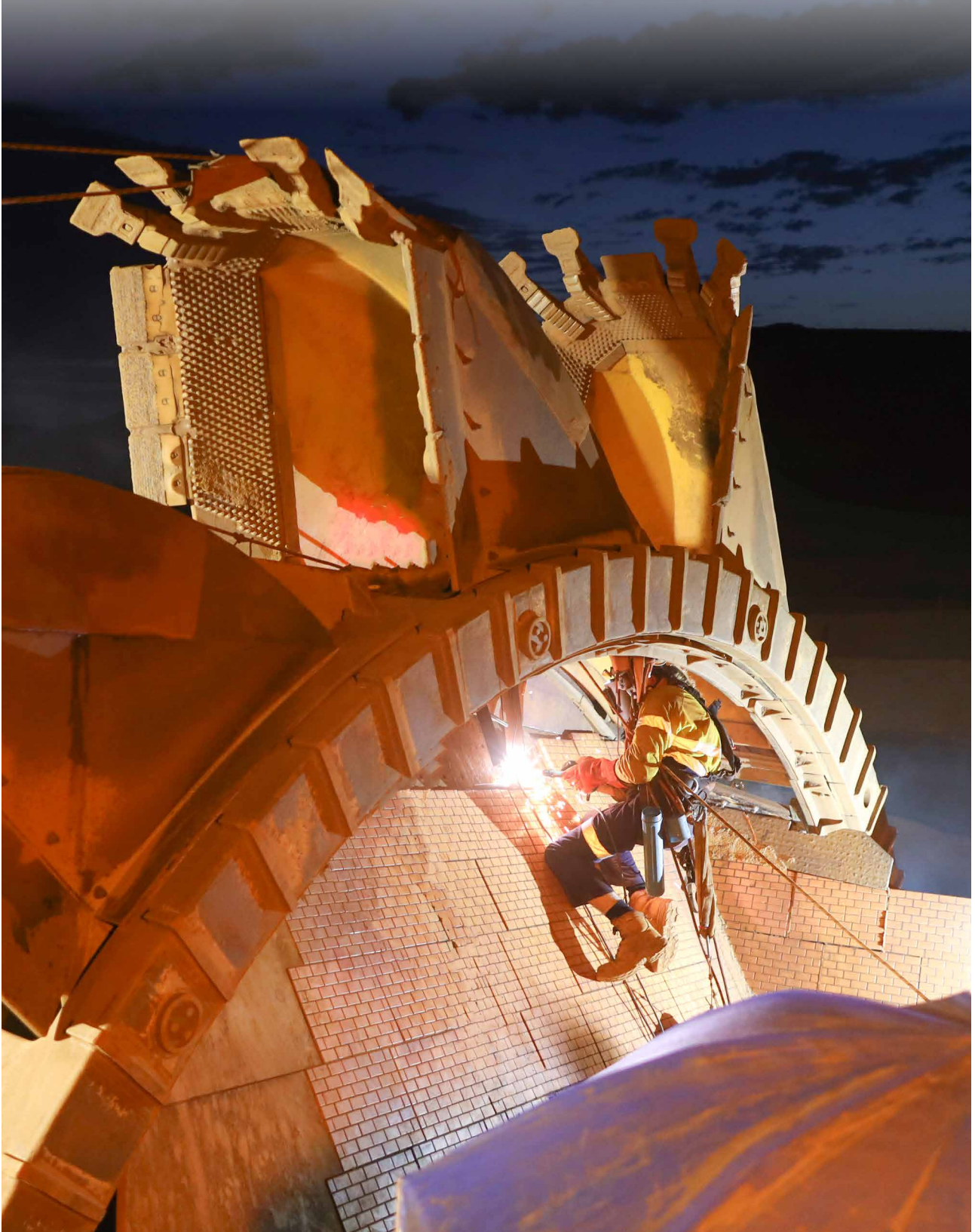
3.14 Environment, Social and Governance

Tasmaea recognises the importance of corporate social responsibility and is committed to a comprehensive range of environmental and social initiatives.

Tasmaea's corporate governance framework underpins all business activities and has been benchmarked to the ASX Governance Principles.

Tasmea's subsidiaries have made, and continue to make, positive contributions to various environmental and social projects that improve the communities and places where it operates. Some examples of these initiatives are outlined below.

Environmental	<p>Assisting customers</p> <ul style="list-style-type: none"> • Fabtech is a partner organisation of the Monash University's ARC Linkage Project, aimed at designing the next generation of composite liner systems for the improved effectiveness of Geosynthetic Liner Systems against emerging contaminants. • Tasmea is currently participating in the construction of a Carbon Capture and Storage project in South Australia. The project is expected to capture and store 1.7 million tonnes of CO₂ each year. • ICE Engineering is installing remote electric vehicle charging stations and Corfield's is providing maintenance services to a significant green energy provider.
Social	<p>Employee and community support through employment pathways</p> <ul style="list-style-type: none"> • Tasmea aims to positively impact the community, attract and retain a diverse and inclusive workforce and enhance pathways into employment through targeted initiatives, including: <ul style="list-style-type: none"> – active promotion of Yura Yarta, a Supply Nation accredited business, across its customer network; – supporting growth of Indigenous business leaders through Indigenous professional development by partnering with Tasmea executives; and – ICE Engineering & Construction partnership with the South Australian Aboriginal Building and Civil Construction Academy, to create Aboriginal employment and apprenticeship opportunities in electrical trades. • Establishment of Employee Assistance Programs including external professional mental health support assisting employees with mental health awareness and intervention support programs. <p>Respecting Traditional Owners</p> <ul style="list-style-type: none"> • Tasman Rope Access assisted in the decommissioning and removal of power transmission towers located on Traditional Owner lands in the vicinity of Port Lincoln, SA. The removal was completed by helicopter lift with Tasman Rope Access volunteering rope access services with this endeavor.
Governance	<p>Compliant policies and processes</p> <ul style="list-style-type: none"> • Code of conduct. • Full suite of corporate governance policies (refer to Section 7.4 for details). <p>Tasmea has undertaken an internal benchmark against ASX Governance Principles.</p>



4. DETAILS OF THE OFFER

4.1 The Offer

The Company is undertaking an initial public offering of New Shares by the Company and the sale of Sale Shares by SaleCo at an offer price of \$1.56 per Share. The Offer contained in this Prospectus is an invitation to apply for:

- (a) approximately 21.2 million New Shares raising proceeds of \$33 million (before costs); and
- (b) 16.7 million Sale Shares offered by SaleCo raising proceeds of \$26 million (before costs) (**Sale Offer**). The Company has offered Existing Shareholders the opportunity to sell their Shares to SaleCo and participate in the Sale Offer, (collectively, the **Offer**).

4.2 Structure of the Offer

The Offer comprises the Retail Offer and the Institutional Offer.

The Retail Offer consists of the:

- (a) Broker Firm Offer – which is open to Australian and New Zealand resident retail clients of participating Brokers who have received a firm allocation of Shares from their Broker (see Section 4.8); and
- (b) Priority Offer – which is open to selected investors in Australia and New Zealand, who have received an invitation from the Company to apply for Shares under the Priority Offer under this Prospectus (see Section 4.9).

The Institutional Offer consists of an offer to Institutional Investors in Australia, New Zealand, Singapore and Hong Kong made under this Prospectus (see Section 4.11).

No general public offer will be made under the Offer. Members of the public wishing to apply for Shares under the Offer must do so through a Broker with a firm allocation of Shares under the Broker Firm Offer.

The allocation of Shares between the Retail Offer and the Institutional Offer will be determined by the Company, SaleCo and the Joint Lead Managers, having regard to the Shares available under the Offer and the allocation policies detailed in this Section 4.

4.3 Purpose of the Offer

The Offer is being conducted to provide:

- (a) the Company with funding and financial flexibility to pursue its growth strategy and capitalise on future growth opportunities;
- (b) a liquid market for Shares and an opportunity for others to invest in the Company, in particular to increase the equity participation by the Company's management and employees to further foster the Company's culture, continued loyalty and exceptional performance;
- (c) the Company with the benefit of being a public listed company, in particular with access to the public equity markets and increased brand profile; and
- (d) Selling Shareholders an opportunity to realise part of their investment in the Company.

4. DETAILS OF THE OFFER

4.4 Sources and uses of funds

The proceeds of the Offer will be received by the Company and SaleCo and applied as set out in the table below. The expected costs of the Offer are set out in Section 8.14.

Sources of funds	\$m	%
Company		
Offer proceeds received by the Company	\$33.0	56%
SaleCo		
Offer proceeds received by SaleCo from the sale of Sale Shares	\$26.0	44%
Total funds available	\$59.0	100%
Use of Proceeds		
Company		
Future acquisitions ¹	\$10.0	30.3%
Future growth working capital ²	\$5.0	15.2%
Net leverage reduction ³	\$12.1	36.7%
Costs of the Offer ⁴	\$5.9	17.9%
Total uses – Company	\$33.0	100%
SaleCo		
Paying Selling Shareholders the remaining Offer proceeds received by SaleCo	\$26.0	100%
Total uses – SaleCo	\$26.0	100%
Total funds raised	\$59.0	100%

Notes:

1. It is anticipated that the \$10.0 million of funds allocated to future acquisitions will be utilised within the 12 to 18 months following the Prospectus Date, subject to there being suitable acquisitions targets. If there are no suitable acquisitions over the indicated period, the proceeds will be applied to net leverage reduction. The proceeds will be redrawn once a suitable acquisition has been identified and completed. Tasma's focus is on acquiring specialist maintenance trade skilled businesses servicing remote fixed plant asset owners with high repeat customer and recurring revenue streams. Tasma also looks for acquisition targets where it is able to cross sell the newly acquired trade skilled capability across its existing customer base or sell its existing capabilities to the newly acquired business's customer base. Further details on Tasma's programmatic acquisition strategy is outlined in Section 3.12(e).
2. The proceeds will provide working capital resources enabling Tasma's subsidiaries to deliver the projected growth as targeted in the Incentive Plans outlined in Section 7.2(g). Future growth working capital proceeds will be utilised to fund the working capital requirements of existing businesses as they grow and the working capital requirements of future acquisitions. Working capital funds the costs of direct wages and salaries and associated expenses, which are typically paid on a weekly basis, materials, subcontractors and equipment hire which are paid on a monthly basis and generally 30 days prior to Tasma subsidiaries' being able to collect customer receivables.
3. The proceeds will be applied against the Tasma's debt facilities outlined in Section 5.6(c).
4. Costs of the Offer still to be paid at the date of the Prospectus, include fees payable to advisers referred to in Section 8.13 as well as other costs such as registry fees, ASX listing fees and other IPO related expenses. Refer to Section 8.14 for further details on the costs of the Offer.

The Offer proceeds are sufficient to meet Tasma's stated objectives as detailed in this Prospectus. Taking into account the Tasma Group's existing cash reserves (refer to Section 5), the Tasma Group has sufficient working capital at the time of its Admission to carry out these stated objectives.

The above table is a statement of current intentions as at the Prospectus Date. Investors should note that, as with any budget, the allocation of funds set out in the table above may change depending on a number of factors, including operational and development activities, new opportunities, regulatory developments and market and general economic conditions. In light of this, the Board reserves its right to alter the way funds are applied, acting in the best interests of Shareholders and as circumstances require.

4.5 Capital Structure

On the basis that the Offer and the Sale Offer are completed on the terms in this Prospectus, the Company's capital structure immediately following Completion (on a fully diluted basis) will be as follows.

	As at the Prospectus Date		On Completion	
	Shares	%	Shares ^{5,6}	%
Substantial Shareholders				
Stephen Young & controlled entities ¹	92,096,773	46.84%	90,414,306 to 92,096,773 ⁷	41.52% to 42.29% ⁷
Mark Vartuli & controlled entities ²	40,762,567	20.73%	40,017,897 to 40,762,567 ⁷	18.38% to 18.72% ⁷
Jason Pryde & controlled entities ³	3,919,001	1.99%	4,143,360	1.90%
Key Management and Directors				
Michael Terlet AO ⁴	911,558	0.46%	546,935	0.25%
Simone Thompson	100,000	0.05%	100,000	0.05%
Other				
Existing Shareholders	58,811,405	29.91%	42,509,362 to 44,936,498 ⁷	19.52% to 20.64% ⁷
New Shareholders	Nil	Nil	37,596,154	17.27%
Total	196,601,304	100.00%	217,755,150	100.00%

Notes:

- Includes Shares held by Stephen Young and his controlled entities.
- Includes Shares held by Mark Vartuli and his controlled entities.
- Includes Shares held by Jason Pryde and his controlled entities.
- Includes Shares held by Michael Terlet AO and his controlled entities.
- Based on maximum sell down percentages as indicated by Directors as follows:
 - Stephen Young will not participate in the Sale Offer.
 - Mark Vartuli will not participate in the Sale Offer.
 - Jason Pryde will not participate in the Sale Offer, but intends to apply for New Shares under the Offer. Following Completion, and subject to Shareholder approval, the Company intends to issue up to 3,000,000 Pryde Options to Mr Pryde. Refer to Section 7.2(g) for further information.
 - Michael Terlet AO participating in the Sale Offer of 40% of his existing Shares.
 - Joe Totaro will not participate in the Sale Offer but intends to apply for New Shares under the Offer.
 - Kristie Young will not participate in the Sale Offer but intends to apply for New Shares under the Offer.
- Following Completion, the Company intends to issue Performance Rights to chief executive officers and key operating personnel of the Tasma Group under the LTI Plan. Refer to Section 7.2(g) for further information.
- The number of Shares held by Messrs Stephen Young and Mark Vartuli (and their respective controlled entities), and other Existing Shareholders will depend on participation by Existing Shareholders in the Sale Offer and whether Messrs Stephen Young and Mark Vartuli are required to participate in the Sale Offer. Refer to Section 8.5 for further information.

The Company reserves the right to issue further securities from time to time, such as in the form of Shares or to raise further capital or pursuant to its Incentive Plans. Refer to Section 7.2(g) for further information.

The Company additionally reserves the right to also utilise its 15% annual placement capacity under Listing Rule 7.1 after Admission, and to seek approval of Shareholders to issue further securities from time to time.

At Completion, the Shares on issue that are not subject to voluntary escrow arrangements will be between 20% to 22%. In the opinion of the Company, the free float of Shares at the time of Listing (which comprises of Shares held by non-affiliated Existing Shareholders and new Shareholders) will be no less than 20% of Shares on issue at that time. See Sections 4.14 and 8.6 for further information.

4. DETAILS OF THE OFFER

4.6 Control implications of the Offer

The Directors do not expect any single Shareholder to control the Company on Completion (based on the definition of "control" in section 50AA of the Corporations Act).

Approximately 83% of the Shares on issue after Completion will be held by the Existing Shareholders, with Managing Director Stephen Young (and his controlled entities) holding between 41.52% to 42.29% and Executive Director Mark Vartuli (and his controlled entities) holding 18.38% to 18.72%, of Shares on Completion.

4.7 Terms and conditions of the Offer

The table below details the terms and conditions of the Offer under this Prospectus.

Topic	Summary
What is the type of security being offered?	Shares (being fully paid ordinary shares in the Company).
What are the rights and liabilities attached to the security being offered?	A description of the Shares, including the rights and liabilities attaching to them, is set out in Section 8.4.
What is the consideration payable for each security being offered?	Successful Applicants under the Offer will pay the Offer Price, being \$1.56 per Share.
What is the Offer Period?	The key dates, including the Offer Period, are set out on page 6 of this Prospectus. No Shares will be issued on the basis of this Prospectus later than the Expiry Date.
Will the Offer be extended outside of Australia?	The Institutional Offer will be made to Institutional Investors in Australia, New Zealand, Singapore and Hong Kong.
What are the cash proceeds to be raised?	The Company expects to raise \$59 million (before costs) from the Offer of which \$33 million (before costs) is expected to be raised from the issue of approximately 21.2 million New Shares and \$26 million (before costs) is expected to be realised under the Sale Offer.
Is the Offer underwritten?	Yes. Morgans Corporate Limited and Unified Capital Partners Pty Ltd have fully underwritten the Offer pursuant to an Underwriting Agreement. Refer to Sections 4.13 and 8.7(a) for further details.
Who are the Joint Lead Managers for the Offer?	Morgans Corporate Limited, Unified Capital Partners Pty Ltd and Shaw and Partners Limited have acted as Joint Lead Managers to the Offer.
What is the minimum and maximum Application size under the Retail Offer?	The minimum Application under the Broker Firm Offer is \$2,000 worth of Shares, and in multiples of \$500 thereafter. There is no maximum value of Shares that may be applied for under the Broker Firm Offer. Applications under the Priority Offer must be for a minimum of \$2,000 worth of Shares and in multiples of \$500 thereafter. There is no maximum number or value of Shares that may be applied for under the Priority Offer. The Company and SaleCo, along with the Joint Lead Managers, reserve the right to treat any Applications in the Broker Firm Offer that are from persons who they believe may be Institutional Investors, as bids in the Institutional Offer or to reject or scale back Applications. The Company and SaleCo, along with the Joint Lead Managers, also reserve the right to aggregate any Applications believed to be multiple applications from the same person. The Joint Lead Managers, the Company and SaleCo reserve the right to reject any Application or to allocate a lesser number of Shares than that applied for, in their absolute discretion.

Topic	Summary
<p>What is the allocation policy?</p>	<p>The allocation of Shares between the Retail Offer and the Institutional Offer will be determined by the Company, SaleCo and the Joint Lead Managers, having regard to the allocation policies outlined in Sections 4.8, 4.9 and 4.11.</p> <p>The allocation of Shares to Brokers will be determined by agreement between the Joint Lead Managers, the Company and SaleCo. Shares that are allocated to Brokers will be issued or transferred to Applicants nominated by the Brokers in their discretion (subject to the right of the Company, SaleCo and the Joint Lead Managers to reject, aggregate or scale back Applications).</p> <p>The allocation of Shares among Applicants in the Priority Offer will be determined by the Company and SaleCo in their absolute discretion, provided these allocations (in aggregate) do not exceed \$2,900,000.</p> <p>The allocation of Shares among Applicants in the Institutional Offer was determined by the Joint Lead Managers, the Company and SaleCo.</p>
<p>Will the Shares be quoted on the ASX?</p>	<p>The Company will apply to ASX within seven days of the Prospectus Date for admission to the Official List and Official Quotation of Shares (which is expected to be under the code 'TEA').</p> <p>Completion is conditional on the ASX approving this application. If approval is not given within three months after such application is made (or any longer period permitted by law), the Offer will be withdrawn and all Application Monies will be refunded without interest as soon as practicable in accordance with the requirements of the Corporations Act.</p> <p>The Company will be required to comply with the ASX Listing Rules, subject to any waivers obtained by the Company from time to time.</p> <p>The ASX takes no responsibility for this Prospectus or the investment to which it relates. The fact that the ASX may admit the Company to the Official List is not to be taken as an indication of the merits of the Company or the Shares offered for subscription.</p>
<p>When are the Shares expected to commence trading?</p>	<p>It is expected that trading of the Shares on the ASX will commence on a normal settlement basis on or around Monday, 29 April 2024.</p> <p>It is the responsibility of each Applicant to confirm their holding before trading in Shares. Applicants who sell Shares before they receive an initial holding statement or allotment confirmation notice do so at their own risk.</p> <p>The Company, SaleCo, the Share Registry and the Joint Lead Managers disclaim all liability, whether in negligence or otherwise, to persons who sell Shares before receiving their initial holding statement or allotment confirmation notice, even if such person received confirmation of allocation from the Offer Information Line, by a Broker or otherwise.</p>
<p>When will I receive confirmation of whether my Application has been successful?</p>	<p>It is expected that initial holding statements will be mailed to successful Applicants on or about Tuesday, 23 April 2024.</p> <p>Refunds (without interest) to Applicants who make an Application and receive an allocation of Shares, the value of which is smaller than the amount of the Application Monies, will be made as soon as practicable after Completion.</p>
<p>Are there any escrow arrangements?</p>	<p>Yes. While none of the Shares to be issued or sold pursuant to the Offer will be subject to any ASX-imposed escrow restrictions, certain voluntary escrow arrangements will apply to certain Existing Shareholders (including those Existing Shareholders that elect to participate in the Sale Offer).</p> <p>Details of the voluntary escrow arrangements are provided in Sections 4.14 and 8.6.</p>
<p>Has any ASX confirmation or ASIC modification been obtained or relied upon?</p>	<p>Yes. Details are provided in Section 8.9.</p>
<p>Are there any taxation considerations?</p>	<p>Yes. Details are provided in Section 8.10.</p>

4. DETAILS OF THE OFFER

Topic	Summary
Are there any brokerage, commission or stamp duty considerations?	No brokerage, commission or stamp duty is payable by Applicants on the acquisition of Shares under the Offer. See Section 8.7 for details of various fees payable by the Company to the Joint Lead Managers.
What should I do if I have questions?	All enquiries in relation to this Prospectus should be directed to the Offer Information Line on 1800 830 977 between 8:30am and 5:30pm (AWST), Monday to Friday, excluding public holidays. If you are unclear in relation to any matter or are uncertain as to whether Shares are a suitable investment for you, you should seek professional guidance from your solicitor, stockbroker, accountant or other independent and qualified professional adviser before deciding whether to invest.

4.8 Broker Firm Offer

(a) Who may apply?

The Broker Firm Offer is open to persons who have received an invitation to participate from their Broker and who have a registered address in Australia or New Zealand and are not located in the United States. If you have been offered a firm allocation by a Broker, you will be treated as an Applicant under the Broker Firm Offer in respect of that allocation. You should contact your Broker to determine whether they may allocate Shares to you under the Broker Firm Offer.

(b) How to apply?

If you have received an invitation from your Broker and wish to apply for Shares under the Broker Firm Offer, you should contact your Broker for information about how to complete and lodge your Broker Firm Offer Application Form and for payment instructions.

Applicants under the Broker Offer should contact their Broker to request a Prospectus and Broker Firm Offer Application Form, or download a copy at <https://events.miraql.com/tasmea-ipo>. Your Broker will act as your agent and it is your Broker's responsibility to ensure that your Application Form and Application Monies are received before 5:00pm (AWST) on the Closing Date (being, Wednesday, 10 April 2024) or any earlier closing date as determined by your Broker.

By making an Application, you declare that you were given access to this Prospectus, together with a Broker Firm Offer Application Form. The Corporations Act prohibits any person from passing an Application Form to another person unless it is attached to, or accompanied by, a hard copy of this Prospectus or the complete and unaltered electronic version of this Prospectus.

The minimum Application under the Broker Firm Offer is \$2,000 worth of Shares, and in multiples of \$500 thereafter. There is no maximum value of Shares that may be applied for under the Broker Firm Offer. The Company, SaleCo and the Joint Lead Managers reserve the right to aggregate any Applications that they believe may be multiple Applications from the same person, or reject or scale back any Applications in the Broker Firm Offer. They may determine a person to be eligible to participate in the Broker Firm Offer, and may amend or waive the Broker Firm Offer Application procedures or requirements, in their discretion in compliance with applicable laws.

Applicants under the Broker Firm Offer must lodge their Broker Firm Offer Application Form and Application Monies with their Broker in accordance with the Broker's directions in order to receive their firm application. Applicants under the Broker Firm Offer must not send their Broker Firm Offer Application Forms to the Share Registry.

The Company, SaleCo, the Joint Lead Managers and the Share Registry take no responsibility for any acts or omissions committed by your Broker in connection with your Application.

The Broker Firm Offer opens on the Opening Date (being Thursday, 28 March 2024) and is expected to close at 5:00pm (AWST) on the Closing Date (being, Wednesday, 10 April 2024). The Company, SaleCo and the Joint Lead Managers may elect to extend the Broker Firm Offer or any part of it or accept late Applications either generally or in particular cases. The Broker Firm Offer, or any part of it, may be closed at any earlier date and time, without further notice. Your Broker may also impose an earlier closing date. Applicants are therefore encouraged to submit their Applications as early as possible. Please contact your Broker for instructions.

(c) How to pay?

Applicants under the Broker Firm Offer must pay their Application Monies to their Broker in accordance with instructions provided by that Broker.

(d) Allocation policy

The allocation of Shares to Brokers will be determined by agreement between the Joint Lead Managers, the Company and SaleCo. Shares that are allocated to Brokers will be issued or transferred to Applicants nominated by the Brokers (subject to the right of the Company, SaleCo and the Joint Lead Managers to reject, aggregate or scale back Applications).

It will be a matter for each Broker as to how they allocate Shares among their clients, and they (and not the Company, SaleCo or the Joint Lead Managers) will be responsible for ensuring that retail clients who have received an allocation from them receive the relevant Shares.

(e) Acceptance of Applications

An Application in the Broker Firm Offer is a binding offer by the Applicant to the Company and SaleCo to acquire Shares in the dollar amount specified in the Broker Firm Offer Application Form at the Offer Price on the terms and conditions set out in this Prospectus and the Broker Firm Offer Application Form. At the time of making an Application, an Applicant will not know the precise number of Shares they will be allocated (if any). To the extent permitted by law, an Application is irrevocable.

An Application may be accepted in respect of the full amount, or any amount lower than that specified in the Broker Firm Offer Application Form without further notice to the Applicant. Acceptance of an Application will give rise to a binding contract on Completion.

The Joint Lead Managers, the Company and SaleCo reserve the right to reject any Application which is not correctly completed or which is submitted by a person who they believe is ineligible to participate in the Broker Firm Offer, or to waive or correct any errors made by an Applicant in completing their Application.

Successful Applicants in the Broker Firm Offer will receive the number of Shares equal to the value of their Application accepted and allocated by the Company divided by the Offer Price (rounded down to the nearest whole Share), provided that sufficient Application Monies have been paid by the Applicant as consideration for those Shares. No refunds pursuant solely to rounding will be provided.

4.9 Priority Offer

(a) Who may apply?

The Priority Offer is open to investors who have received an invitation to participate in the Priority Offer from the Company and SaleCo and who have a registered address in Australia or New Zealand and are not located in the United States. If you have been invited by the Company and SaleCo to participate in the Priority Offer, you will be treated as an Applicant under the Priority Offer in respect of those Shares that are allocated to you.

(b) How to apply?

If you have received a personalised invitation to apply for Shares under the Priority Offer and you wish to apply for Shares, you should follow the instructions on your personalised invitation to complete and lodge your Application online at <https://events.miraql.com/tasmea-ipo>. By making an Application under the Priority Offer, you declare that you were invited to participate in the Priority Offer and were given access to this Prospectus, together with a Priority Offer Application Form.

Applications under the Priority Offer must be for a minimum of \$2,000 worth of Shares and in multiples of \$500 thereafter. There is no maximum number or value of Shares that may be applied for under the Priority Offer. The Company and SaleCo reserve the right to scale back or reject Applications in whole or part, without giving any reason. They may determine a person to be eligible to participate in the Priority Offer, and may amend or waive the Priority Offer Application procedures or requirements, in their discretion in compliance with applicable laws.

Applicants under the Priority Offer whose Applications are not accepted, or who are allocated a lesser number of Shares than the amount applied for will receive a refund of all or part of their Application Monies, as applicable. Refunds will be paid in Australian dollars. Interest will not be paid on monies refunded. No refunds pursuant solely to rounding will be paid. The Company and SaleCo may amend or waive the Priority Offer Application procedures or requirements in their discretion in compliance with applicable laws.

4. DETAILS OF THE OFFER

The Priority Offer opens on the Opening Date (being Thursday, 28 March 2024) and is expected to close at 5:00pm (AWST) on the Closing Date (being, Wednesday, 10 April 2024). The Company and SaleCo may elect to extend the Priority Offer, or any part of it, or accept late Applications either generally or in particular cases. The Priority Offer, or any part of it, may be closed at any earlier date and time, without further notice. Applicants are therefore encouraged to submit their Applications as early as possible.

(c) How to pay?

Applicants under the Priority Offer must pay by BPAY® or electronic fund transfer (New Zealand residents only) following the instructions outlined on the personalised invitation and Offer website at <https://events.miraql.com/tasmea-ipo>.

It is the Applicant's responsibility to ensure payments are received by the Share Registry before 5:00pm (AWST) on the Closing Date (being, Wednesday, 10 April 2024). Your bank, credit union or building society may impose a limit on the amount that you can transact and policies with respect to timing for processing BPAY® transactions and electronic funds transfers, which may vary between bank, credit union or building society. The Company, SaleCo and Joint Lead Managers take no responsibility for any failure to receive Application Monies before the close of the Offer arising as a result of, among other things, delays in processing of payments by financial institutions.

If the amount of your payment for Application Monies (or the amount for which those payments clear in time for allocation) is insufficient to pay the dollar amount of Shares you have applied for in your Priority Offer Application Form, you make be taken to have applied for such lower number of Shares as your cleared Application Monies will pay for (and to also have specified that amount in your Priority Offer Application Form), or your Application may be rejected.

(d) Allocation policy

The allocation of Shares among Applicants in the Priority Offer will be determined by the Company and SaleCo in their absolute discretion, provided these allocations (in aggregate) do not exceed \$2,900,000. There is no assurance that any Applicant will be allocated any Shares, or the number of Shares for which the Applicant applied.

(e) Acceptance of Applications

An Application in the Priority Offer is a binding offer by the Applicant to the Company and SaleCo to acquire Shares in the dollar amount specified in the Priority Offer Application Form at the Offer Price on the terms and conditions set out in this Prospectus and the Priority Offer Application Form. To the extent permitted by law, an Application is irrevocable.

An Application may be accepted in respect of the full amount, or any amount lower than that specified in the Priority Offer Application Form without further notice to the Applicant. Acceptance of an Application will give rise to a binding contract on Completion.

The Company and SaleCo reserve the right to reject any Application which is not correctly completed or which is submitted by a person who they believe is ineligible to participate in the Priority Offer, or to waive or correct any errors made by an Applicant in completing their Application.

Successful Applicants in the Priority Firm Offer will receive the number of Shares equal to the value of their Application accepted and allocated by the Company divided by the Offer Price (rounded down to the nearest whole Share), provided that sufficient Application Monies have been paid by the Applicant as consideration for those Shares. No refunds pursuant solely to rounding will be provided.

4.10 Application monies

Application Monies received under the Retail Offer will be held in a special purpose account until Shares are issued to successful Applicants.

Applicants under the Retail Offer whose Applications are not accepted, or who are allocated a lesser dollar amount of Shares than the amount applied for, will receive a refund (without interest) of all or part of their Application Monies, as applicable. No refunds pursuant solely to rounding will be provided. Interest will not be paid on any monies refunded and any interest earned on Application Monies pending the allocation or refund will be retained by Tasmea.

You should ensure that sufficient funds are held in the relevant account(s) to cover the amount of your BPAY® payment or electronic funds transfer. If the amount of your BPAY® payment or electronic funds transfer is less than the amount specified on the Application Form, you may be taken to have applied for such lower dollar amount of Shares.

4.11 Institutional Offer

(a) Invitations to bid

The Company, SaleCo and the Joint Lead Managers have invited certain Institutional Investors in Australia, New Zealand, Singapore and Hong Kong to bid for Shares in the Institutional Offer.

The Joint Lead Managers separately advised Institutional Investors of the application procedures for the Institutional Offer. Shares issued to Institutional Investors as part of the Institutional Offer will be issued under this Prospectus.

(b) Allocation policy under the Institutional Offer

The allocation of Shares among bidders in the Institutional Offer was determined by agreement between the Joint Lead Managers, the Company and SaleCo. The Company, the Joint Lead Managers and SaleCo had absolute discretion regarding the basis of allocation of Shares among Institutional Investors.

Participants in the Institutional Offer have been advised of their allocation of Shares, if any, by the Joint Lead Managers.

The allocation policy was influenced, but not constrained, by the following factors:

- (i) the number of Shares bid for by particular bidders;
- (ii) the timeliness of the bid by particular bidders;
- (iii) the Company's desire for an informed and active trading market following listing on the ASX;
- (iv) the Company's desire to establish a wide spread of institutional Shareholders;
- (v) the overall level of demand under the Broker Firm Offer, the Priority Offer and the Institutional Offer;
- (vi) the likelihood that particular bidders will be long term Shareholders; and
- (vii) any other factors that the Company, the Joint Lead Managers and SaleCo considered appropriate.

4.12 Acknowledgements

Each Applicant under the Offer will be deemed to have:

- agreed to become a member of the Company and to be bound by the terms of the Constitution and the terms and conditions of the Offer;
- acknowledged having personally received a printed or electronic copy of the Prospectus including or accompanied by the Application Form and having read them all in full;
- declared that all details and statements in their Application Form are complete and accurate;
- declared that the Applicant(s), if a natural person, is/are over 18 years of age;
- acknowledged that, once the Company, SaleCo or a Broker receives an Application Form (including electronically), it may not be withdrawn;
- applied for the number of Shares at the Australian dollar amount shown on the front of the Application Form;
- agreed to being allocated and issued or transferred the number of Shares applied for (or a lower number allocated in a way described in this Prospectus), or no Shares at all;
- authorised the Company, SaleCo and the Joint Lead Managers and their respective officers or agents, to do anything on behalf of the Applicant(s) necessary for Shares to be allocated to the Applicant(s), including to act on instructions received by the Share Registry upon using the contact details in the Application Form;
- acknowledged that, in some circumstances, the Company may not pay dividends, or that any dividends paid may not be franked;
- acknowledged that the information contained in this Prospectus is not financial product advice or a recommendation that Shares are suitable for the Applicant(s), given the investment objectives, financial situation and particular needs (including financial and taxation issues) of the Applicant(s);
- declared that the Applicant(s) is/are a resident of Australia (except as applicable to the Institutional Offer);
- acknowledged and agreed that the Offer may be withdrawn by the Company and SaleCo or may otherwise not proceed in the circumstances described in this Prospectus; and
- acknowledged and agreed that if listing does not occur for any reason, the Offer will not proceed.

4. DETAILS OF THE OFFER

Each Applicant under the Retail Offer, and each person to whom the Institutional Offer has been made under this Prospectus, will be taken to have represented, warranted and agreed as follows:

- it understands that the Shares have not been, and will not be, registered under the US Securities Act or the securities laws of any state of the United States and may not be offered, sold or resold in the United States, except in a transaction exempt from, or not subject to, the registration requirements of the US Securities Act and other applicable state securities laws;
- it is not in the United States, and it is purchasing the Shares in an “offshore transaction” (as defined in Rule 902(h) under the US Securities Act) in reliance on Regulation S under the US Securities Act;
- if participating in the Institution Offer, it is an Institutional Investor;
- it has not sent and will not send this Prospectus or any other material relating to the Offer to any person in the United States; and
- if you decide to sell, transfer or otherwise dispose of any Shares, you will do so only in transactions exempt from, or not subject to, the registration requirements of the US Securities Act, including in a standard (regular way) brokered transaction on the ASX where neither you nor any person acting on your behalf knows, or has reason to know, that the sale has been pre-arranged with, or that purchaser is, a person in the United States.

4.13 Underwriting agreement

The Offer is fully underwritten pursuant to an Underwriting Agreement under which the Underwriters have been appointed to underwriter to the Offer. The Underwriters agree, subject to certain conditions and termination events, to underwrite Applications for all Shares under the Offer.

The Underwriting Agreement is subject to a number of conditions precedent and sets out a number of circumstances under which the Underwriters may terminate the Underwriting Agreement and their underwriting obligations. A summary of certain terms of the agreement and underwriting arrangements, including the condition precedent and termination provisions, is provided in Section 8.7(a).

4.14 Voluntary escrow arrangements

While none of the Shares to be issued or sold pursuant to the Offer will be subject to any ASX-imposed escrow restrictions, certain voluntary escrow arrangements will apply to certain Existing Shareholders (including those Existing Shareholders that elect to participate in the Sale Offer).

Upon Completion, certain Existing Shareholders (including those Existing Shareholders that elect to participate in the Sale Offer) will be subject to voluntary escrow arrangements (other than for any Shares acquired by them, or entities related to them, under the Offer at the Offer Price) for a period of 11 months from the date of Admission. Certain Existing Shareholders (including those Existing Shareholders that elect to participate in the Sale Offer) will enter into voluntary escrow arrangements which prevent them from disposing of their Escrowed Shares during the relevant Escrow Period (subject to relevant exemptions).

Furthermore, the Executive Directors (Stephen Young, Mark Vartuli and Jason Pryde) have agreed to an extended voluntary escrow period for 17 months from the date of Admission (i.e. September 2025).

Once the relevant Escrow Period ends or Shares are released, certain Existing Shareholders will, subject to the Company’s Securities Trading Policy, be free to deal with the Shares.

Refer to Section 8.6 for further details on the voluntary escrow arrangements.

4.15 Discretion regarding the Offer

The Company and SaleCo may withdraw the Offer at any time before the issue or transfer of Shares to successful applicants under the Offer. If the Offer, or any part of it, does not proceed, all relevant Application Monies will be refunded (without interest) as soon as practicable in accordance with the requirements of the Corporations Act.

The Company, SaleCo and the Joint Lead Managers also reserve the right to close the Offer or any part of it early, extend the Offer or any part of it, accept late Applications either generally or in particular cases, reject any application, or (subject to the terms of any guaranteed allocations referred to in this Prospectus) allocate a lesser number of Shares than that applied for.

4.16 Foreign offer restrictions

No action has been taken to register or qualify this Prospectus, the Shares that are subject of the Offer, or otherwise to permit a public offering of the Shares, in any jurisdiction outside Australia or New Zealand.

The Offer does not constitute an offer or invitation in any jurisdiction in which, or to any person to whom, such an offer or invitation would be unlawful. This Prospectus may not be released or distributed in the United States, and may only be distributed to persons to whom the Offer may lawfully be made in accordance with the laws of any applicable jurisdiction.

The distribution of this Prospectus in jurisdictions outside Australia or New Zealand may be restricted by law and persons who come into possession of this Prospectus should seek advice on and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws.

This Prospectus does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States. In particular, the Shares have not been, and will not be, registered under the U.S. Securities Act or the securities laws of any state or other jurisdiction of the United States and may not be offered or sold, directly or indirectly, in the United States except in transactions exempt from, or not subject to, the registration requirements of the U.S. Securities Act and any other applicable U.S. securities laws.

Please refer to Section 8.12 for further details in relation to applicable selling restrictions.

4.17 ASX Listing, registers and holding statements

(a) Application to the ASX for listing and quotation of Shares

The Company will apply to the ASX for admission to the Official List and Official Quotation of Shares within seven days of the Prospectus Date (which is expected to be under the code "TEA").

The ASX takes no responsibility for this Prospectus or the investment to which it relates. The fact that the ASX may admit Tasmea to the Official List is not to be taken as an indication of the merits of Tasmea or the Shares offered under this Prospectus.

If permission is not granted for the Official Quotation of the Shares on the ASX within three months after the Prospectus Date (or any later date permitted by law), the Offer will be withdrawn and all Application Monies received by Tasmea will be refunded (without interest) as soon as practicable in accordance with the requirements of the Corporations Act.

From the date of listing on the ASX, Tasmea will be required to comply with the ASX Listing Rules, subject to any waivers obtained by Tasmea from time to time (including those described in Section 8.9).

(b) CHESS and issuer sponsored holdings

The Company will apply to participate in Clearing House Electronic Subregister System (CHESS) and must comply with the ASX Listing Rules and the ASX Settlement Operating Rules. CHESS is an electronic transfer and settlement system for transactions in securities quoted on the ASX under which transfers are affected in an electronic form.

When the Shares become approved financial products under the ASX Settlement Operating Rules, holdings will be registered in one of two sub registers, being an electronic CHESS sub register or an issuer sponsored sub register.

For all successful Applicants, the Shares of a Shareholder who is a participant in CHESS or a Shareholder sponsored by a participant in CHESS will be registered on the CHESS sub register. All other Shares will be registered on the issuer sponsored sub register.

Following Completion, Shareholders will be sent a holding statement that sets out the number of Shares that have been allocated to them. This statement will also provide details of a Shareholder's Holder Identification Number (HIN) for CHESS holders or, where applicable, the Securityholder Reference Number (SRN) of issuer sponsored holders. Shareholders will subsequently receive statements showing any changes to their holding. Certificates will not be issued.

Shareholders will receive subsequent statements during the first week of the following month if there has been a change to their holding on the register and as otherwise required under the ASX Listing Rules and the Corporations Act. Additional statements may be requested at any other time either directly through the Shareholder's sponsoring broker in the case of a holding on the CHESS sub register or through the Share Registry in the case of a holding on the issuer sponsored sub register. The Company, SaleCo and the Share Registry may charge a fee for these additional issuer sponsored statements.

4. DETAILS OF THE OFFER

4.18 Professional advice

If you are in any doubt as to whether to accept the Offer, please consult your licenced financial adviser, accountant, stockbroker, lawyer or other professional adviser.

A general summary of the taxation implications of investing in Shares is set out in Section 8.10.

The Company, its advisers and officers do not accept any responsibility or liability for any such taxation consequences to Shareholders or investors. As a result, Shareholders and investors should consult their professional tax advisers in connection with any aspect of the Offer and/or applying for Shares under this Prospectus.

4.19 Disputes

The Board may settle, in any manner it thinks fit, any disputes or anomalies which may arise in connection with or by reason of the operation of the Offer, whether generally or in relation to any Shareholder, investor, Applicant or Application. The decision of the Board will be conclusive and binding on all persons to whom the determination relates.

SECTION FIVE

FINANCIAL INFORMATION



5 FINANCIAL INFORMATION

5.1 Introduction

The financial information of Tasmae contained in this Section 5 is on a consolidated basis across its 18 subsidiaries and the respective capability segments include the following (collectively, the **Financial Information**):

- Historical Financial Information, being the Statutory Historical Financial Information and Pro Forma Historical Financial Information for the financial years ended 30 June 2021 (FY21), 30 June 2022 (FY22) and 30 June 2023 (FY23) and the six months ended 31 December 2023 (FY24 H1) with the six months ended 31 December 2022 comparative information (FY23 H1);
- Forecast Financial Information, being the Statutory Forecast Financial Information and Pro Forma Forecast Financial Information for the financial year ending 30 June 2024 (FY24F) and the six months ended 30 June 2024 (FY24F H2).

An overview of the relevant Financial Information items is shown in the table below.

	Statutory Financial Information	Pro Forma Financial Information
Historical Financial Information	<p>Statutory Historical Financial Information comprises the following:</p> <ul style="list-style-type: none"> • Statutory consolidated historical income statements for FY21, FY22 and FY23 (Statutory Historical Annual Income Statements) and FY23H1 and FY24H1 (Statutory Historical Half Year Income Statements) (together, the Statutory Historical Income Statements); • Statutory consolidated historical statement of financial position as at 31 December 2023 (Statutory Historical Statement of Financial Position); and • Statutory consolidated historical statement of cash flows for FY21, FY22 and FY23 (Statutory Historical Annual Cash Flows) and FY23H1 and FY24H1 (Statutory Historical Half Year Cash Flows) (together, the Statutory Historical Cash Flows). 	<p>Pro Forma Historical Financial Information comprises the following:</p> <ul style="list-style-type: none"> • Pro Forma consolidated historical income statements for FY21, FY22 and FY23 (Pro Forma Historical Annual Income Statements) and FY23H1 and FY24H1 (Pro Forma Historical Half Year Income Statements) (together, the Pro Forma Historical Income Statements), together with a reconciliation to the Statutory Historical Income Statement; • Pro Forma consolidated historical statement of financial position as at 31 December 2023 (Pro Forma Historical Statement of Financial Position); and • Pro Forma historical cash flows for FY21, FY22 and FY23 (Pro Forma Historical Cash Flows), together with a reconciliation to the Statutory Historical Cash Flows.
Forecast Financial Information	<p>Statutory Forecast Financial Information comprises the following:</p> <ul style="list-style-type: none"> • Statutory consolidated forecast income statement for FY24F (Statutory Forecast Income Statement); and • Statutory consolidated forecast cash flows for FY24F (Statutory Forecast Cash Flows). 	<p>Pro Forma Forecast Financial Information comprises the following:</p> <ul style="list-style-type: none"> • Pro Forma consolidated forecast income statement for FY24F (Pro Forma Forecast Income Statement), together with a reconciliation to the Statutory Forecast Income Statement; and • Pro Forma consolidated forecast cash flows for FY24F (Pro Forma Forecast Cash Flows), together with a reconciliation to the Statutory Forecast Cash Flows.

The historical acquisitions completed by Tasmae in FY21, FY22, FY23 and FY24H1 have been included in the Statutory Historical Financial Information since the effective date of each acquisition as set out below. The Pro Forma Historical Financial Information assumes the relevant historical acquisitions had occurred on 1 July 2020: M&B Civil Pty Ltd, Laptex Systems Pty Ltd, Technical Lubrication Services (Australasia) Pty Ltd, Corfield's Electrical Services, Sigma Power Services Pty Ltd, Groundbreaking Mining Solutions Pty Ltd and MGW Engineering Pty Ltd.

The historical acquisitions excluded from the Pro Forma Historical Financial Information are Tasman Asset Management Services Pty Ltd and A. Noble & Son Limited, on the basis the business operations and cost base were restructured upon entering the Tasmae consolidated group and their past performance is not relevant to or representative of their performance since the effective date of acquisition.

Details of the FY21, FY22, FY23 and FY24 H1 historical acquisitions are set out below, by segment:

(a) Electrical services

- (i) **Tasman Asset Management Services Pty Ltd** – on 1 July 2022, Tasman Power Holdings Pty Ltd, a wholly owned subsidiary of Tasma Limited, obtained effective control of KP Electric (Australia) Pty Ltd which was renamed Tasman Asset Management Services Pty Ltd (**TAMS**). TAMS is an electrical service provider specialising in Australia wide electrical service, maintenance and compliance of electrical assets.
- (ii) **Corfield's Electrical Services** – on 1 October 2022, ICE Engineering & Construction Holdings Pty Ltd, a wholly owned subsidiary of Tasma Limited, obtained effective control of Moxstar Pty Ltd trading as Corfield's Electrical Services (**Corfields**). Corfield's is a leading electrical services contractor providing maintenance and industrial electrical services to the resources, energy and infrastructure sectors primarily in the Gladstone, Queensland.
- (iii) **Sigma Power Services Pty Ltd** – on 1 April 2023, Tasman Power Holdings Pty Ltd, a wholly owned subsidiary of Tasma Limited, obtained effective control of Sigma Power Services Pty Ltd (**SPS**). SPS provides specialist high voltage testing, maintenance and engineering design services primarily in Western Australia.

(b) Mechanical services

- (i) **A Noble & Son Limited** – on 1 August 2022, Tasma Limited acquired 95% of the issued share capital of A Noble & Son Limited (**Nobles**) and thereby obtaining effective control. Nobles is a specialist provider of lifting equipment including overhead cranes, engineering and technical services for lifting equipment. Nobles operates Australia wide.
- (ii) **Groundbreaking Mining Solutions Pty Ltd** – Tasma Limited obtained effective control of Groundbreaking Mining Solutions Pty Ltd (**GMS**) on 1 July 2023. GMS delivers drill and rig solutions, servicing and support to the mining industry, primarily in Western Australia.
- (iii) **MGW Engineering Pty Ltd** – Tasma Limited obtained effective control of MGW Engineering Pty Ltd trading as Forefront Services (Forefront) on 1 October 2023. Forefront delivers steel fabrication, steel construction, poly fabrication and installation, and specialised mining services.

(c) Civil services

- (i) **M&B Civil Pty Ltd** – On 1 October 2020, ICE Engineering & Construction Holdings Pty Ltd, a wholly owned subsidiary of Tasma Limited, obtained effective control of M&B Civil Pty Ltd (M&B Civil). M&B Civil is a leading provider of civil construction and maintenance services primarily in the Cooper Basin region in South Australia.

(d) Water & fluid services

- (i) **Lapte Systems Pty Ltd and Technical Lubrication Services (Australasia) Pty Ltd** – on 4 February 2022, Tasman Power Holdings Pty Ltd, a wholly owned subsidiary of Tasma Limited, acquired Laptek Systems Pty Ltd (**Lapte**) and Technical Lubrication Services (Australasia) Pty Ltd (**TLS**). Laptek provides high quality lubrication solutions and systems to mining operations, and TLS specialises in inspection, maintenance and repair of automated lubrication systems. Both subsidiaries primarily service mining operators in the Pilbara region in Western Australia.

Refer to Section 3.12 for additional information relating to the Tasma Group's growth strategy.

Also summarised in this Section 5 are:

- (a) The basis of preparation and presentation of the Historical Financial Information (refer to Section 5.2(b)) and Forecast Financial Information (refer to Section 5.2(c));
- (b) Information regarding reporting segments (refer to Section 5.2(d));
- (c) Information regarding certain non-IFRS financial measures and other measures (refer to Section 5.2(e));
- (d) Pro Forma Historical Income Statements and Pro Forma Forecast Income Statement (refer to Section 5.3(a)) including a summary of pro forma adjustments to the Statutory Historical Income Statements and Statutory Forecast Income Statement and reconciliations of the Pro Forma Historical Income Statements and Pro Forma Forecast Income Statement to the Statutory Historical Income Statements and Statutory Forecast Income Statements, respectively;
- (e) Summary of key operating and financial metrics (refer to Section 5.4);
- (f) Details of the Tasma Group's historical and forecast cash flow statement (refer to Section 5.5);

5 FINANCIAL INFORMATION

- (g) Details of the Tasma Group's statutory and pro forma historical financial position, and pro forma financial position at the assumed Completion date (refer to Section 5.6);
- (h) Information regarding indebtedness, banking facilities, and other contractual commitments (refer to Section 5.6(a) and Section 5.6(b));
- (i) Management's discussion and analysis of the Pro Forma Historical Financial Information (refer to Section 5.7);
- (j) The Directors' best estimates of general and specific assumptions underlying the Forecast Financial Information and Management's discussion and analysis of the Pro Forma Forecast Financial Information (refer to Section 5.8);
- (k) An analysis of the sensitivity of the Pro Forma Forecast Financial Information to changes in key assumptions (refer to Section 5.9);
- (l) Qualitative disclosures about Tasma's financial risk management framework (refer to Section 5.10);
- (m) A summary of Tasma's proposed dividend policy (refer to Section 5.11); and
- (n) Information regarding significant accounting policies and key judgements and estimates (refer to Appendix B).

The information in Section 5 should also be read in conjunction with the risk factors set out in Section 6 and the other information contained in this Prospectus.

All amounts disclosed in Section 5 are presented in Australian Dollars (AUD or A\$) and, unless otherwise noted, are rounded to the nearest \$0.1 million. Some numerical figures included in this Prospectus have been subject to rounding adjustments. Any differences between totals and sums of components in figures or tables contained in this Prospectus are due to rounding.

The Historical Financial Information presented in this Prospectus has been reviewed by Grant Thornton Corporate Finance Pty Ltd (**Grant Thornton**, or **Investigating Accountant**) in accordance with the Australian Standard on Assurance Engagements ASAE 3450 'Assurance Engagements involving Corporate Fundraisings and/or Prospective Financial Information' (**ASAE 3450**), as stated in its Investigating Accountant's Report on the Historical Financial Information. Investors should note the scope and limitations of the Investigating Accountant's Report on the Historical Financial Information (refer to Appendix A).

The Forecast Financial Information presented in this Prospectus is unaudited and has been reviewed by Grant Thornton in accordance with ASAE 3450, as stated in its Investigating Accountant's Report on the Forecast Financial Information. Investors should note the scope and limitations of the Investigating Accountant's Report on the Forecast Financial Information (refer to Appendix A).

5.2 Basis of preparation and presentation of the Financial Information

(a) Overview

The Directors are responsible for the preparation and presentation of the Financial Information.

The Financial Information in this Prospectus is intended to present potential investors with information to assist them in understanding the historical financial performance, cash flows and financial position of the Tasma Group, together with the forecast financial performance and cash flows for FY24F and FY24F H2.

The Financial Information has been prepared and presented in accordance with the recognition and measurement principles of Australian Accounting Standards (**AAS**) adopted by the Australian Accounting Standards Board (**AASB**), which are consistent with International Financial Reporting Standards (**IFRS**) and interpretations issued by the International Accounting Standards Board. The Financial Information is presented in an abbreviated form and does not include all the presentation and disclosures, statements and comparative information as required by AAS and other mandatory professional reporting requirements applicable to general purpose financial reports prepared in accordance with the Corporations Act.

The Pro Forma Historical Information has been prepared solely for inclusion in this Prospectus and does not reflect the actual results and cash flows of the Tasma Group for the periods indicated. Tasma believes that it provides useful information as it permits investors to examine what it considers to be the underlying financial performance and cash flows of the business and is presented on a consistent basis with the Pro Forma Forecast Financial Information.

In addition to the Financial Information, this Section describes certain non-IFRS measures included in the Pro Forma Historical Information and Pro Forma Forecast Financial Information that are used to manage and report on Tasma's business. These financial measures are not defined or recognised in AAS or IFRS.

(b) Basis of Preparation of the Historical Financial Information

The Statutory Historical Financial Information used in the preparation of the Pro Forma Historical Financial Information has been extracted from Tasma's financial statements for FY21, FY22, FY23, FY23 H1 and FY24 H1.

The general purpose financial statements for FY21, FY22 and FY23 were audited by Grant Thornton Audit Pty Ltd (**Grant Thornton Audit**) in accordance with Australian auditing standards. The audit opinion issued to the Directors for FY21, FY22 and FY23 was unmodified.

The interim financial statements for FY23 H1 and FY24 H1 were reviewed by Grant Thornton Audit in accordance with Australian auditing standards. The review opinion issued to the Directors for FY23 H1 and FY24 H1 was unmodified.

The Pro Forma Historical Financial Information has been prepared solely for the purpose of this Prospectus. The Pro Forma Historical Income Statement and Pro Forma Historical Cash Flows have been derived from the Statutory Historical Income Statement and Statutory Historical Cash Flows and adjusted to reflect the inclusion of the financial results and cash flows of the following acquisitions by segment:

Electrical services

- (i) Corfield's Electrical from 1 July 2020 until its acquisition on 1 October 2022;
- (ii) SPS from 1 July 2020 until its acquisition on 1 April 2023;

Mechanical services

- (iii) GMS from 1 July 2020 until its acquisition on 1 July 2023;
- (iv) Forefront from 1 July 2020 until its acquisition on 1 October 2023;

Civil services

- (v) M&B Civil from 1 July 2020 until its acquisition on 1 October 2020;

Water & fluid services

- (vi) Lapek and TLS from 1 July 2020 until its acquisition on 4 February 2022;
- (vii) Corporate services the exclusion of share of profits from associate company Equity & Advisory Limited from 1 July 2020 until its disposal effective 1 July 2023; and
- (viii) the exclusion of costs directly attributable to the Offer.

The relevant tax effect of each pro forma adjustment is also included in the Pro Forma Historical Financial Information.

Incremental costs associated with being a publicly listed entity have not been included in the Pro Forma Historical Financial Information on the basis that Tasma was an unlisted public company over these periods and the incremental costs of moving from an unlisted public company to a listed public company are not significantly different.

Section 5.3(c) sets out the pro forma adjustments made to the Statutory Historical Income Statement and a reconciliation of the statutory historical earnings before interest and tax (**EBIT**) and net profit after tax (**NPAT**) to the pro forma historical EBIT and NPAT.

Section 5.5 includes the pro forma adjustments made to the statutory historical net cash flow before dividends and a reconciliation of the statutory historical net cash flow before dividends to the pro forma historical net cash flow before dividends.

The Pro Forma Historical Statement of Financial Position is derived from the Statutory Historical Statement of Financial Position and adjusted to reflect the impact of the Offer and the Pro Forma Adjustments set out in Section 5.6.

Tasma's accounting policies have been consistently applied in preparing Historical Financial Information for each of the periods presented and are set out in Appendix B.

The Pro Forma Historical Financial Information is provided for illustrative purposes only and is not represented as being necessarily indicative of the future financial position of the Tasma Group. Investors should note that past results are not a guarantee of future performance.

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(c) Basis of Preparation of the Forecast Financial Information

The Forecast Financial Information has been prepared solely for inclusion in this Prospectus. The Forecast Financial Information is presented on both a statutory and pro forma basis for FY24F. The basis of preparation and presentation of the Forecast Financial Information is consistent with the basis of preparation and presentation of the Pro Forma Historical Financial Information.

The Forecast Financial Information has been prepared by the Tasma Group based on an assessment of current market, economic and operating conditions and on the Directors' best estimate of general and specific assumptions regarding future events and actions set out in Section 5.8.

The disclosure of these assumptions is intended to assist investors in assessing the reasonableness and likelihood of the assumptions occurring and the potential effect on the Forecast Financial Information if, and to the extent that, any such assumption does not occur. The disclosure of the assumptions is not intended to be a representation that the assumptions will occur. Accordingly, investors are cautioned not to place undue reliance on the Forecast Financial Information.

The Directors consider all the best estimate general and specific assumptions, when taken as a whole, to be reasonable at the time of preparing this Prospectus. Investors should be aware that the timing of actual events and the magnitude of their impact might differ from that assumed in preparing the Forecast Financial Information and that this may have a material positive or negative effect on the Tasma Group's actual financial performance, cash flows or financial position. In addition, the best estimate assumptions upon which the Forecast Financial Information is based are by their very nature subject to uncertainties and contingencies, many of which will be outside the control of the Tasma Group, the Directors and management, and are not reliably predictable. Accordingly, none of Tasma, the Directors or management or any other person can give investors any assurance that the outcomes disclosed in the Forecast Financial Information will arise. Events and outcomes might differ in amount and timing from the assumptions, with a material consequential impact on the Forecast Financial Information.

The Statutory Forecast Financial Information represents the Tasma Group's best estimates of the financial performance and cash flows that it expects to report in its consolidated general purpose statutory financial statements for FY24F. This assumes Completion will occur on Monday, 29 April 2024.

The Pro Forma Forecast Financial Information has been derived from the Statutory Forecast Financial Information, with pro forma adjustments to reflect the:

- (i) Exclusion of Offer costs forecast to be expensed in the statutory results in FY24F. Offer costs have not been removed from the FY24 pro forma forecast cash flows on the basis that gross proceeds of the Offer are included in the FY24F pro forma cash flows to reflect the use of funds from the Offer;
- (ii) Inclusion of the financial results and cash flows of Forefront from 1 July 2023 until its acquisition on 1 October 2023; and
- (iii) Inclusions of relevant tax effect of each pro forma adjustment.

Section 5.3(c) includes a reconciliation of statutory forecast EBIT and NPAT to the pro forma forecast EBIT and NPAT for FY24F. Section 5.5 includes a reconciliation of statutory forecast net cash flow before dividends to the pro forma forecast net cash flow before dividends for FY24F.

The Forecast Financial Information should be read in conjunction with the general and specific assumptions set out in Section 5.8, the sensitivity analysis described in Section 5.9, the risk factors described in Section 6, the Significant Accounting Policies set out in Appendix B and other information in this Prospectus.

Tasma does not intend to update or revise the Forecast Financial Information or other forward-looking statements or to publish prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained in this Prospectus, except where required by law or regulation or ASX continuous disclosure obligations.

Due to its nature, the Forecast Financial Information does not purport to represent the Tasma Group's actual financial performance or cash flows for the respective periods.

(d) Segment Information

The Tasma Group has four reporting segments as outlined in Section 3.4:

- (i) Electrical services: provide a range of specialist industrial electrical services including electrical shutdown, preventative, programmed and reactive maintenance, emergency breakdown repairs, fault finding, statutory compliance, electrical upgrades for brownfield and greenfield projects, and high-voltage testing and commissioning.
- (ii) Mechanical services: provide a range of specialist services including fixed plant mechanical shutdown, emergency breakdown services, lifting and rigging equipment servicing, blasting and painting, drill rig and blast equipment maintenance and overhaul, precision machining, large honing, turning and weld reclamation and specialised fabrication, installation and programmed maintenance services.
- (iii) Civil services: providing programmed and emergency mine maintenance including specialist civil and concrete services, civil construction, liquid waste management and site buildings and facilities maintenance.
- (iv) Water & fluid services: provide a range of specialist services including geosynthetic containment services and biogas collection, lubrication solutions, maintenance and repair of auto lubrication systems and distribution of press-fit, drainage, press tool solutions predominately across stainless steel and copper products.

Each of the Tasma Group's segments includes several subsidiaries, largely aligned with industry segments. See Section 3.4 for further information on segments. The management discussion and analysis set out in Sections 5.4, 5.7 and 5.8 contains references to these Subsidiaries.

Corporate costs include those related to:

- (i) Segment based management and support functions;
- (ii) Group wide corporate support functions including Finance, Legal, People & Capability, Safety, Plant and Equipment hire, and Strategy;
- (iii) Board fees; and
- (iv) Other public company costs.

Segment results include the allocation of corporate costs that can be directly attributed to a segment. After this allocation, the remaining corporate costs represent Gross Corporate Costs. A portion of these Gross Corporate Costs is recharged to the segments based on an assessment of the costs incurred or services provided. Corporate costs not allocated or recharged to segments are reported as Net Corporate Costs.

(e) Explanation of Non-IFRS Financial Measures

Tasma uses certain measures to manage and report on its business that are not recognised under IFRS. These measures are collectively referred to in this Section 5 and under Regulatory Guide 230 Disclosing non-IFRS financial information published by ASIC as "non-IFRS financial measures".

Although Tasma believes that these measures provide useful information to users in measuring the financial performance and condition of the business, they should be considered as supplements to the income statement measures that have been presented in accordance with IFRS and not as a replacement for them. As these non-IFRS financial measures are not based on IFRS, they do not have standard definitions and the way Tasma calculates these measures may differ from similarly titled measures by other entities. Investors and readers of this prospectus should therefore not place undue reliance on these non-IFRS financial measures.

The key non-IFRS financial measures that are referred to in this Prospectus are outlined below:

- (i) Income statement
 - (A) Gross profit represents revenue, net of costs of good sold or services performed.
 - (B) EBITDA is earnings before interest on borrowings, interest on lease liabilities, income tax expense, depreciation and amortisation.
 - (C) EBIT is earnings before interest on borrowings, interest on lease liabilities and income tax expense.
- (ii) Cash flow statement
 - (A) Working capital is the sum of trade and other receivables, contract assets and other assets, less trade and other payables, contract liabilities, accrued expenses, current provisions and current tax liabilities.
 - (B) Capital expenditure is primarily related to investment in property, plant and equipment and business acquisitions.

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(iii) Indebtedness information

- (A) Net cash represents cash and cash equivalents net of borrowings and lease liabilities.
- (B) Gross debt is the interest bearing borrowings of the Group including bank debt and interest bearing lease liabilities.

(iv) Financial metrics

- (A) Revenue growth represents the period-on-period growth in revenue.
- (B) Gross profit % is gross profit divided by total revenue and expressed as a percentage.
- (C) EBIT growth is the change in EBIT in the current period compared to the prior corresponding period and expressed as a percentage.
- (D) EBIT margin is EBIT divided by total revenue and expressed as a percentage.
- (E) NPAT growth is the change in NPAT in the current period compared to the prior corresponding period and expressed as a percentage.
- (F) NPAT margin is NPAT divided by total revenue and expressed as a percentage.

5.3 Historical and forecast income statements

(a) Statutory Historical Income Statements and Statutory Forecast Income Statements

The Tasma Group's Statutory Historical Income Statement and Statutory Forecast Income Statement are shown in the table below. The reported figures exclude the impact of pro-forma adjustments detailed in Section 5.2(b).

Reconciliations of the Statutory Historical Income Statement and Statutory Forecast Income Statement to the Pro Forma Historical Income Statement and Pro Forma Forecast Income Statement are provided in Section 5.4.

Statutory \$ million	Note	FY21	FY22	FY23	FY24F
Revenue	1	170.6	244.8	320.0	427.8
Cost of sales	2	(130.3)	(192.6)	(237.6)	(308.0)
Gross profit		40.3	52.2	82.4	119.8
Other income	3	2.9	3.4	3.5	1.8
Administrative expenses	4	(19.5)	(26.5)	(45.6)	(60.3)
Operating expenses	4	(0.5)	(0.7)	(0.8)	(0.5)
EBITDA		23.2	28.4	39.5	60.8
Depreciation and amortisation expense	5	(5.1)	(6.5)	(9.2)	(12.9)
EBIT		18.1	21.9	30.3	47.9
<i>EBIT margin</i>		<i>10.6%</i>	<i>8.9%</i>	<i>9.5%</i>	<i>11.2%</i>
Net finance expense	6	(4.1)	(3.4)	(3.5)	(5.3)
Profit before income tax		14.0	18.5	26.8	42.6
Income tax expense	7	(4.2)	(4.9)	(7.3)	(14.5)
Net profit after tax (NPAT)		9.8	13.6	19.5	28.1

The table below represents the Tasma Group's Statutory Historical Results for FY23 H1 and for FY24 H1.

Statutory \$ million	Note	FY23 H1	FY24 H1
Revenue	1	150.0	193.3
Cost of sales	2	(111.5)	(137.2)
Gross profit		38.5	56.1
Other income	3	0.7	1.2
Administrative expenses	4	(19.0)	(26.3)
EBITDA		20.2	31.0
Depreciation and amortisation expense	5	(4.2)	(6.2)
EBIT		16.0	24.8
<i>EBIT margin</i>		<i>10.7%</i>	<i>12.8%</i>
Net finance expense	6	(1.3)	(2.3)
Profit before income tax		14.7	22.5
Income tax expense	7	(3.8)	(6.7)
Net profit after tax (NPAT)		10.9	15.8

Notes:

1. Revenue is primarily generated by providing various types of specialist labour services at an hourly rate per tradesperson provided. These payments are made under service agreements, at previously agreed hourly rates, or on an ad hoc basis. The Tasma group has a strong base of diversified blue-chip customers operating on a purchase order basis, which is complemented by long term service agreements. Revenue is also derived from sales of products.
2. Cost of sales are comprised of costs directly associated with performing services and sale of goods including labour costs, materials and consumables, plant and equipment costs, travel costs, medical expenses, and workshop costs. These expenses are typically correlated to revenue.
3. Other income is recorded on plant hire income, disposal of assets or liabilities, and recognition of government grant income over the useful lives of assets purchased with the grant.
4. Expenses can be summarised in the following main categories:
 - a. Administrative expenses – this category includes the costs that relate to the cost of the Tasma Group's management and administration staff, including salaries, superannuation, bonuses and on costs, as well as general administration expenses including insurance, licence fees, recruitment, travel, technology, and other office costs; and
 - b. Other expenses – include office equipment rental and property outgoings associated with the Tasma Group's various offices.
5. Depreciation and amortisation expense – fixed assets are depreciated over their useful life, and right of use assets are depreciated over the term of the lease. Depreciation increases in line with the capital expansion of the operations.
6. Net finance costs – relate to interest charges associated with bank loans, hire purchase liabilities and the finance component of property leases.
7. Income tax expense – represents the aggregate tax position including both current and deferred tax expense after adjusting for the tax effect of relevant pro forma adjustments. Tasma has recognised deferred tax expense in relation to the recognition of deferred tax assets and liabilities. Where appropriate, deferred tax assets and deferred tax liabilities are shown netted off in line with accounting standards.

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(b) Pro Forma Historical Income Statements and Pro Forma Forecast Income Statement

The Tasma Group's Pro Forma Historical Income Statements for FY21, FY22 and FY23 and the Pro Forma Forecast Income Statement for FY24F are shown in the table below.

Reconciliations of the Statutory Historical Income Statement and Statutory Forecast Income Statement to the Pro Forma Historical Income Statement and Pro Forma Forecast Income Statement are provided in this Section 5.3(b).

Pro Forma \$ million	Note	FY21	FY22	FY23	FY24F
Revenue	1	215.1	293.4	367.5	435.1
Cost of sales	1	(151.1)	(216.3)	(262.6)	(312.6)
Gross profit		64.0	77.1	104.9	122.5
Other income	1	3.5	3.0	1.8	1.8
Operating expenses	1	(31.2)	(37.5)	(53.1)	(57.2)
EBITDA		36.3	42.6	53.6	67.1
Depreciation and amortisation expense	1	(6.5)	(7.9)	(10.6)	(13.1)
EBIT		29.8	34.7	43.0	54.0
<i>EBIT margin</i>		<i>13.8%</i>	<i>11.8%</i>	<i>11.7%</i>	<i>12.4%</i>
Net finance costs	1	(4.8)	(4.2)	(3.9)	(5.4)
Profit before income tax		25.0	30.5	39.1	48.6
Income tax expense	1	(6.8)	(7.3)	(10.7)	(15.1)
Net profit after tax (NPAT)		18.2	23.2	28.4	33.5

The table below represents the Tasma Group's Pro Forma Historical Results for FY23 H1 and for FY24 H1.

Pro Forma \$ million	Note	FY23 H1	FY24 H1
Revenue	1	172.5	200.7
Cost of sales	1	(121.0)	(141.4)
Gross profit		51.5	59.3
Other income	1	1.1	1.2
Operating expenses	1	(24.2)	(27.6)
EBITDA		28.4	32.9
Depreciation and amortisation expense	1	(4.6)	(6.4)
EBIT		23.8	26.5
<i>EBIT margin</i>		<i>13.8%</i>	<i>13.2%</i>
Net finance costs	1	(1.5)	(2.3)
Profit before income tax		22.3	24.2
Income tax expense	1	(5.8)	(7.1)
Net profit after tax (NPAT)		16.5	17.1

Note:

1. Refer to the notes pertaining to the equivalent line items in Section 5.3(b).

(c) Summary of Pro Forma Adjustments in the Pro Forma Income Statement

An overview of the pro forma adjustments including a reconciliation of the statutory historical EBIT and NPAT to pro forma historical EBIT and NPAT for FY21, FY22, FY23, and statutory forecast EBIT and NPAT to pro forma forecast EBIT and NPAT for FY24F is shown in the table below.

\$ million	Note	FY21	FY22	FY23	FY24F
Statutory EBIT		18.1	21.9	30.3	47.9
Pre-acquisition EBIT contribution – Electrical segment	1	0.5	0.5	0.4	–
Pre-acquisition EBIT contribution – Mechanical segment	2	9.4	12.5	13.8	1.6
Pre-acquisition EBIT contribution – Civil segment	3	0.4	–	–	–
Pre-acquisition EBIT contribution – Water & Fluid segment	4	1.7	1.3	–	–
Listing costs – Corporate segment	5	–	–	–	4.5
Non-recurring transactions EBIT impact – Corporate segment	6	(0.3)	(1.5)	(1.5)	–
Total pro forma adjustments		11.7	12.8	12.7	6.1
Pro Forma EBIT		29.8	34.7	43.0	54.0

\$ million	Note	FY21	FY22	FY23	FY24F
Statutory NPAT		9.8	13.6	19.5	28.1
Pre-acquisition NPAT contribution – Electrical segment	1	0.3	0.2	0.3	–
Pre-acquisition NPAT contribution – Mechanical segment	2	6.8	9.4	9.7	1.2
Pre-acquisition NPAT contribution – Civil segment	3	0.3	–	–	–
Pre-acquisition NPAT contribution – Water & fluid segment	4	1.2	0.9	–	–
Listing costs – Corporate segment	5	–	–	–	4.2
Non-recurring transactions NPAT impact – Corporate segment	6	(0.2)	(0.9)	(1.1)	–
Total pro forma adjustments		8.4	9.6	8.9	5.4
Pro Forma NPAT		18.2	23.2	28.4	33.5

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The table below represents the Tasma Group's pro forma adjustments including a reconciliation of the statutory historical EBIT and NPAT to pro forma historical EBIT and NPAT for FY23 H1 and FY24 H1.

\$ million	Note	FY23 H1	FY24 H1
Statutory EBIT		16.0	24.8
Pre-acquisition EBIT contribution – Electrical segment	1	0.3	–
Pre-acquisition EBIT contribution – Mechanical segment	2	7.5	1.7
Total adjustments		7.8	1.7
Pro Forma EBIT		23.8	26.5

\$ million	Note	FY23 H1	FY24 H1
Statutory NPAT		10.9	15.8
Pre-acquisition NPAT contribution – Electrical segment	1	0.2	–
Pre acquisition NPAT contribution – Mechanical segment	2	5.4	1.3
Total adjustments		5.6	1.3
Pro Forma NPAT		16.5	17.1

Notes:

1. Electrical segment – pre-acquisition adjustment includes EBIT and NPAT generated between the beginning of the historical period and the effective date of the Corfields acquisition on 1 October 2022, and SPS acquisition on 1 April 2023.
2. Mechanical segment – pre-acquisition adjustment includes EBIT and NPAT generated between the beginning of the historical period and the effective date of the GMS acquisition on 1 July 2023, and Forefront acquisition on 1 October 2023.
3. Civil segment – pre-acquisition adjustment includes EBIT and NPAT generated between the beginning of the historical period and the effective date of the M&B Civil acquisition on 1 October 2020.
4. Water & fluid segment – pre-acquisition adjustment includes EBIT and NPAT generated between the beginning of the historical period and the effective date of the Laptek and TLS acquisition on 4 February 2022.
5. Corporate segment – listing costs adjustment includes transaction costs relating to the offer which are expensed for statutory reporting purposes but reversed in the Pro Forma Forecast Income Statement as a one off non-recurring cost.
6. Corporate segment – non recurring transactions adjustment excludes EBIT and NPAT generated from Equity & Advisory during the historical period and the disposal of a property in Karratha, WA during the historical period.

5.4 Key operating and financial metrics

The table below summarises the statutory and pro forma historical key operating and financial metrics for FY21, FY22, FY23 and FY24F.

EBIT and EBIT growth shown below are non-IFRS measures derived from the Pro Forma Historical Income Statements and Pro Forma Forecast Income Statement.

Statutory	FY21	FY22	FY23	FY24F
Revenue (\$ million)	170.6	244.8	320.0	427.8
EBIT (\$ million)	18.1	21.9	30.3	47.9
<i>EBIT margin</i>	10.6%	8.9%	9.5%	11.2%
NPAT (\$ million)	9.8	13.6	19.5	28.1
<i>NPAT margin</i>	5.7%	5.6%	6.1%	6.6%
<i>Revenue growth</i>		43.5%	30.7%	33.7%
<i>EBIT growth</i>		21.0%	38.4%	58.1%
<i>NPAT growth</i>		38.8%	43.4%	44.1%
Operating cash flow (\$ million)	20.4	26.7	22.8	53.2
<i>Operating cash flow/EBIT</i>	112.7%	121.9%	75.2%	111.1%
<i>Return on Capital Employed</i>	22.7%	26.0%	27.7%	n/a
<i>Return on Equity</i>	36.6%	37.2%	41.0%	n/a
<i>Earnings per Share</i>	5 cents	7 cents	10 cents	n/a
<i>Working Capital/Revenue</i>	5.4%	2.3%	5.7%	n/a
Pro Forma	FY21	FY22	FY23	FY24F
Revenue (\$ million)	215.1	293.4	367.5	435.1
EBIT (\$ million)	29.8	34.7	43.0	54.0
<i>EBIT margin</i>	13.8%	11.8%	11.7%	12.4%
NPAT (\$ million)	18.2	23.2	28.4	33.5
<i>NPAT margin</i>	8.5%	7.9%	7.7%	7.7%
<i>Revenue growth</i>		36.4%	25.2%	18.4%
<i>EBIT growth</i>		16.4%	23.9%	25.6%
<i>NPAT growth</i>		27.5%	22.4%	18.0%
Operating cash flow (\$ million)	29.7	37.0	33.0	54.5
<i>Operating cash flow/EBIT</i>	99.7%	106.6%	76.7%	100.9%
<i>Return on Capital Employed</i>	n/a	n/a	n/a	35.0%
<i>Return on Equity</i>	n/a	n/a	n/a	48.9%
<i>Earnings per Share</i>	n/a	n/a	n/a	15 cents
<i>Working Capital/Revenue</i>	n/a	n/a	n/a	4.9%

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The table below sets out the Tasma Group's pro forma financial metrics for FY21, FY22, FY23 and FY24F by segment.

Pro forma \$ million	FY21	FY22	FY23	FY24F
Revenue				
Electrical	71.0	105.6	122.9	145.5
Mechanical	70.1	85.7	134.5	156.4
Civil	34.5	39.4	42.5	56.2
Water & Fluid	38.2	62.2	67.5	80.7
Corporate	1.3	0.5	0.1	(3.7)
Total revenue	215.1	293.4	367.5	435.1
EBIT				
Electrical	5.8	8.2	10.8	14.2
Mechanical	13.0	14.5	20.6	19.5
Civil	4.4	5.5	6.3	10.3
Water & Fluid	4.8	5.4	5.5	7.3
Corporate	1.8	1.1	(0.2)	2.7
Total EBIT	29.8	34.7	43.0	54.0

Refer to the Management Discussion and Analysis in Section 5.7 for a description of the factors impacting the historical financial performance and Section 5.8 for a description of the assumptions impacting the forecast financial performance of the Tasma Group. Refer to Section 5.2(d) for Segment Information.

5.5 Historical and forecast cash flows

The tables below set out a summary of the Tasma Group's Pro Forma Historical Cash Flow for FY21, FY22 and FY23, Pro Forma Forecast Cash Flow for FY24F and Statutory Forecast Cash Flow for FY24F.

The table below sets out a summary of the Tasma Group's Statutory Historical Cash Flows for FY21, FY22 and FY23 and Statutory Forecast Cash Flow for FY24F.

Statutory \$ million	FY21	FY22	FY23	FY24F
Cash flows from operating activities				
Receipts from customers	181.1	259.5	350.0	449.2
Payment to suppliers and employees	(160.7)	(232.8)	(327.2)	(395.9)
Cash generated from operations	20.4	26.7	22.8	53.3
Interest and other finance costs paid	(4.2)	(3.4)	(3.5)	(5.4)
Income taxes paid	–	(1.2)	(0.8)	(6.2)
Net cash from operating activities	16.2	22.1	18.5	41.7
Cash flows from investing activities				
Payments for purchase of business, net of cash acquired	(0.6)	(1.6)	(4.1)	(27.5)
Payments for property, plant and equipment	(0.7)	(3.7)	(11.0)	(14.6)
Payment of deferred consideration for acquisitions	(1.8)	(2.3)	(3.0)	(0.1)
Proceeds from disposal of property, plant and equipment	0.4	0.2	2.5	0.1
Receipt of government grants	1.4	–	–	–
Net cash used in investing activities	(1.3)	(7.4)	(15.6)	(42.1)
Cash flows from financing activities				
Proceeds from borrowings	–	40.0	6.6	40.9
Repayment of borrowings	(8.7)	(39.7)	(12.5)	(35.7)
Dividends paid	(0.6)	(3.7)	(2.7)	(7.6)
Proceeds from capital raise	–	–	–	27.7
Net cash from/(used in) financing activities	(9.3)	(3.4)	(8.6)	25.3
Net increase/(decrease) in cash and cash equivalents	5.6	11.3	(5.7)	24.9
Cash at the beginning of the financial year	5.8	11.4	22.7	17.0
Cash and cash equivalents at the end of financial year	11.4	22.7	17.0	41.9

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The table below sets out a summary of the Tasma Group's Statutory Half Year Historical Cash Flows for FY23 H1 and FY24 H1.

Statutory \$ million	FY23 H1	FY24 H1
Cash flows from operating activities		
Receipts from customers	174.5	203.5
Payment to suppliers and employees	(158.5)	(177.3)
Cash generated from operations	16.0	26.2
Interest and other finance costs paid	(1.3)	(2.3)
Income taxes paid	-	(0.2)
Net cash from operating activities	14.7	23.7
Cash flows from investing activities		
Payments for purchase of business, net of cash acquired	(1.5)	(16.0)
Payments for property, plant and equipment	(2.5)	(8.1)
Payment of deferred consideration for acquisitions	(1.0)	(0.1)
Proceeds from disposal of investments	-	0.5
Proceeds from disposal of property, plant and equipment	-	0.1
Net cash used in investing activities	(5.0)	(23.6)
Cash flows from financing activities		
Proceeds from borrowings	-	22.3
Repayment of borrowings	(7.7)	(12.4)
Dividends paid	(1.3)	(2.0)
Proceeds from capital raise	-	-
Net cash from/(used in) financing activities	(9.0)	7.9
Net increase/(decrease) in cash and cash equivalents	0.7	8.0
Cash at 1 July	22.7	17.0
Cash and cash equivalents at 31 December	23.4	25.0

The table below sets out the pro forma adjustments to the Statutory Historical Cash Flows as well as the Statutory Forecast Cash Flows to reflect the full year impact of the business acquisitions and to eliminate certain non-recurring items.

\$ million	FY21	FY22	FY23	FY24F
Statutory net cash flow before financing and tax	20.4	26.7	22.8	53.3
<i>Add: Operating cash flow from Civil services business acquisitions</i>	0.3	-	-	-
<i>Add: Operating cash flow from Water & fluid business acquisitions</i>	1.4	1.0	-	-
<i>Add: Operating cash flow from Electrical services business acquisitions</i>	0.4	0.4	0.3	-
<i>Add: Operating cash flow from Mechanical services business acquisitions</i>	7.5	9.9	11.2	1.2
<i>Less: Operating cash flows from Corporate Services segment</i>	(0.3)	(1.0)	(1.3)	-
Pro forma net cash flow before financing and tax	29.7	37.0	33.0	54.5

The table below sets out a summary of the Tasma Group's Pro Forma Historical Cash Flow for FY21, FY22 and FY23, and Pro Forma Forecast Cash Flow for FY24F.

Pro Forma \$ million	Note	FY21	FY22	FY23	FY24F
Pro Forma EBIT		29.8	34.7	43.0	54.0
Non-cash movements		5.1	6.5	9.2	13.1
Changes in Net Working Capital		(5.2)	(4.2)	(19.2)	(12.6)
Operating Cash Flow		29.7	37.0	33.0	54.5
<i>Operating cash flow % of EBIT</i>		<i>99.7%</i>	<i>106.6%</i>	<i>76.7%</i>	<i>100.9%</i>
Capital Expenditure	1	(0.7)	(3.7)	(11.0)	(14.6)
Proceeds from sale of assets		0.4	0.2	2.5	0.1
Receipt of government grants		1.4	–	–	–
Net proceeds/Repayment of borrowings	2	(8.6)	0.3	(12.3)	(9.5)
Tax paid	3	–	(1.2)	(0.8)	(6.2)
Interest expense		(4.2)	(3.4)	(3.5)	(5.4)
Free cash flow (prior to business acquisitions)		18.0	29.2	7.9	18.9
<i>Free cash flow (prior to acquisitions) % of EBIT</i>		<i>60.4%</i>	<i>84.1%</i>	<i>18.4%</i>	<i>35.0%</i>
Business acquisitions, net of cash acquired	4	(2.5)	(3.9)	(0.6)	(0.7)
Free cash flow before the Offer		15.5	25.3	7.3	18.2
<i>Free cash flow % of EBIT</i>		<i>52.0%</i>	<i>72.9%</i>	<i>17.0%</i>	<i>33.7%</i>

Notes:

- Capital expenditure relates to purchases of vehicles, plant and equipment to facilitate growth, and replacement of assets at the end of their useful life. FY23 includes one off premises relocation and leasehold improvements of \$1.5 million.
- Proceeds from borrowings reflects the drawdown of new debt facilities to fund historical and forecast capital expenditure and business acquisitions, including the acquisition of GMS in FY24F.
- Tax paid in the historical periods relates to tax paid by subsidiaries on earnings prior to entering the tax consolidated group. The tax payable in the forecast period relates to estimated tax payable on FY23 earnings.
- Business acquisitions relates to upfront and deferred consideration paid to vendors for the business acquisitions made over the historical and forecast periods.

5 FINANCIAL INFORMATION

5.6 Statutory and pro forma historical consolidated statement of financial position

The table below sets out the Statutory Historical Statement of Financial Position and the pro forma adjustments that have been made to present the Pro Forma Historical Statement of Financial Position of the Tasma Group at 31 December 2023.

These adjustments reflect the impact of the Offer and transaction costs as if they had occurred on 31 December 2023.

The Pro Forma Historical Statement of Financial Position is therefore provided for illustrative purposes only and is not necessarily representative of Tasma's view on its future financial position.

Further information on the sources and uses of funds of the Offer is contained in Section 4.4.

\$ million	Statutory 31-Dec-2023	Settlement of Forefront ¹	Sale of property ²	Offer Proceeds ³	Pro Forma 31-Dec-23
Current Assets					
Cash and cash equivalents	25.0	(1.0)	0.8	15.4	40.2
Trade and other receivables	51.3				51.3
Contract assets	17.8				17.8
Inventories	14.4				14.4
Other current assets	7.1		(0.8)	(0.8)	5.5
Total current assets	115.6				129.2
Non-current assets					
Right of use assets	8.3				8.3
Property, plant and equipment	42.5				42.5
Tax assets	–				–
Intangible assets and goodwill	89.7				89.7
Other assets	2.4				2.4
Total non-current assets	142.9				142.9
Total assets	258.5	(1.0)	–	14.6	272.1
Current liabilities					
Trade and other payables	62.6	(12.8)			49.8
Tax liabilities	7.7				7.7
Loans and borrowings	13.8	2.1			15.9
Lease liabilities	8.8				8.8
Contract liabilities	10.0				10.0
Other current liabilities	10.3				10.3
Total current liabilities	113.2				102.5
Non-current liabilities					
Trade and other payables	7.7				7.7
Deferred tax liability	0.2				0.2
Loans and borrowings	35.8	8.3		(12.1)	32.0
Lease liabilities	14.8				14.8
Other liabilities	1.1				1.1
Total non-current liabilities	59.6				55.8
Total liabilities	172.8	(2.4)	–	–	158.3
Net assets	85.7	1.4	–	26.7	113.8
Equity					
Issued capital	85.4	1.4	–	31.2	118.0
Retained earnings	0.3	–	–	(4.5)	(4.2)
Total equity	85.7	1.4	–	26.7	113.8

Notes:

1. Settlement of Forefront – this is to adjust for the settlement of Forefront in February 2024, including drawdown of a term loan, issue of shares, and payment of cash.
2. Sale of a property – this is to adjust for the sale of a property in Karratha, WA for a consideration of \$875k prior to the Allotment.
3. Offer proceeds – this is to record the Completion, raising \$33 million, being 21.2 million New Shares at \$1.56 per Share. Expenses associated with the Completion, of which \$1.6 million is capitalised and \$4.5 million is expensed.

(a) Liquidity and capital resources

The Tasma Group's principal sources of liquidity are cash generated from operations, cash on hand and committed debt facilities.

The Tasma Group's main uses of cash are to fund its operations, working capital, Capital Expenditure, Business Acquisitions, interest payments, principal repayments and payment of tax and dividends. The Tasma Group expects that it will have sufficient cash flow from operations to meet its business needs during the forecast period and will have sufficient working capital to carry out its stated objectives.

Tasma's ability to generate sufficient cash from operations depends on its future performance which, to a certain extent, is subject to a number of factors beyond its control, including general economic, financial and competitive outcomes.

(b) Indebtedness

The table below sets out the indebtedness of Tasma as at 31 December 2023, before and having adjusted for the pro forma impact of the Offer and the acquisition of Forefront.

\$ million	Statutory 31-Dec-23	Settlement of Forefront ¹	Sale of property ²	Offer Proceeds ³	Pro Forma 31-Dec-23
Loans and borrowings					
Term Loans	49.6	10.4		(12.1)	47.9
Finance Lease Liabilities ⁴	16.5				16.5
Gross total indebtedness	66.1	10.4			64.4
Cash and cash equivalents	(25.0)	1.0	(0.8)	(15.4)	(40.2)
Net total indebtedness (excluding property lease liabilities)	41.1	11.4	(0.8)	(27.5)	24.2
Property Lease Liabilities	7.1				7.1
Net total indebtedness (including property lease liabilities)	48.2				31.3
Net total indebtedness (excluding property lease liabilities) to FY23 pro forma EBITDA					0.45x
Net total indebtedness (excluding property lease liabilities) to FY24F pro forma EBITDA					0.36x

Notes:

1-3 – Refer to notes below previous table in Section 5.6.

4 – Finance lease liabilities comprises facilities with financial institutions. Property lease liabilities recognised under AASB 16 *Leases* are excluded from loans and borrowings.

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(c) Summary Banking Facilities

As at the date of this Prospectus, Tasmae has the following financing facilities (**Financing Facilities**).

Financier	Facility Type	Company	Facility Limit	Drawn Amount	Maturity
Bank SA	Term Loan	Tasmae Limited and other Tasmae Limited subsidiaries	\$59.0 million	\$59.0 million	Feb 2026 – Mar 2027
St George/Westpac	Equipment Finance	Tasmae Limited and other Tasmae Limited subsidiaries	\$14.3 million	\$9.8 million	Various
Bank SA	Bank Guarantee Facility	Tasmae Limited and other Tasmae Limited subsidiaries	\$8.2 million	\$4.1 million	Various
Toyota Finance	Equipment Finance/Hire Purchase	Tasmae Limited and other Tasmae Limited subsidiaries	\$6.3 million	\$6.0 million	Various
ANZ Bank	Equipment Finance/Hire Purchase	Tasmae Limited and other Tasmae Limited subsidiaries	\$1.0 million	\$0.9 million	Various
Various financiers	Equipment Finance/Hire Purchase	Tasmae Limited and other Tasmae Limited subsidiaries	\$1.1 million	\$1.1 million	Various
Various financiers	Insurance Premium Funding	Tasmae Limited and other Tasmae Limited subsidiaries	\$3.0 million	\$3.0 million	< 10 months

The Bank SA Financing Facilities are subject to the following financial covenants:

Facility Type	Company	Covenant	Covenant Limits
Term Loan	Bank SA	Financial Debt to EBITDA Ratio	At all times the group's financial debt to EBITDA ratio is required to be less than 2.25x
		Equity Ratio	At all times the group's equity ratio can't be less than 30%
		Dividend Restriction	In any financial year, dividend payments can't be more than 50% of the Group's net profit after tax

In addition to the above, Tasmae is also subject to a number of reporting covenants based on actual to budget negative variance undertaking. Tasmae is currently in compliance with its financial and reporting covenants and expects to remain in compliance with them.

The Financing Facilities are secured by:

- (i) General Security Agreements over all existing and future assets and undertakings given by all Tasmae Limited subsidiaries;
- (ii) Cross Guarantee & Indemnity given by all Tasmae Limited subsidiaries; and
- (iii) Personal Guarantee from Stephen Young and Mark Vartuli, to be released upon listing.

(d) Other Contractual Commitments

There is no significant capital expenditure contracted for at 31 December 2023 which has not been recognised as a liability.

Various subsidiaries in the Group have in the normal course of business issued guarantees to certain customers, suppliers and landlords to guarantee the performance obligations of a controlled entity.

Tasmae's agreements relating to the acquisitions of Corfields, SPS, GMS and Forefront include earn out targets and payments. The estimated amount payable of \$23.0 million has been accrued in the Pro Forma Statement of Historical Financial Position as at 31 December 2023.

There are no other contractual commitments or off-balance sheet arrangements.

5.7 Management discussion and analysis of Historical Financial Information

The management discussion and analysis set out below contains reference to Tasma's segments as described in Section 5.2(d) and is on a Pro Forma basis.

(a) Key factors impacting historical financial performance

Set out below is a discussion of the key factors which affected Tasma's historical financial performance in FY21, FY22 and FY23 which the Directors expect may continue to impact forecast financial performance.

The discussion in this section focusses on Pro Forma Financial Information. Investors should note that, in preparing the Pro Forma Historical Income Statement and the Pro Forma Historical Cash Flows, pro forma adjustments have been made to reflect the acquisitions undertaken by Tasma in FY21, FY22 and FY23, and FY24F (see Section 5.1) as if such acquisitions had been made at the start of the Historical Financial Information period being 1 July 2020.

The discussion of these general factors is intended to provide a brief summary only and does not detail all the factors that affected Tasma's historical operating and financial performance, nor everything which may affect its operations and financial performance in the future.

(b) Revenue

Tasma generates the majority of its revenue by delivering specialist maintenance services at an hourly rate per skilled tradesperson provided typically through long-term service arrangements with its customers.

A large proportion of Tasma's revenue is from contracts with Schedule of Rates profiles, which means there is a direct correlation between headcount and revenue metrics.

Revenue growth is generated from subsidiaries providing specialist essential maintenance services to existing and new customers, facilitated by the increase in headcount, acquisition of businesses with additional service offerings and growth potential, and investment in plant and equipment.

More broadly, activity in the resources sector increased from FY22 to FY23 with less operating restrictions from COVID-19 and production increases across the resources sector. This has driven higher utilisation across our subsidiaries and helped to drive the growth in revenue.

(c) Cost of sales

Cost of sales are costs directly associated with performing specialist services and sale of goods including labour costs, materials and consumables, plant and equipment costs, travel costs, medical expenses, and workshop costs. These costs generally move with revenue over time. In any given period, the amount and mix of operating expenses depends on the type of services delivered.

Direct labour costs account for 36%-41% of the cost of sales over the historical period. Costs incurred are directly associated with performing specialist maintenance services for customers. Labour costs generally fluctuate with the level of services revenue, resulting in consistent Gross Profit margins.

(d) Operating expenses

Tasma's operating expenses include:

- (i) employee expenses: costs that relate to the cost of Tasma's management sales and administration staff;
- (ii) administration expenses: costs of insurance, licence fees, recruitment, travel, technology, and other office costs; and
- (iii) property expenses: include office equipment rental and property outgoings associated with Tasma's various offices.

The majority of Tasma's operating expenses are directly incurred in the delivery of service to customers. These costs generally move with headcount and business acquisitions.

Whilst Tasma allocates a portion of corporate expenses to each of the four segments, there are Net Corporate Costs which are not directly attributable to any of these segments. Refer to Section 5.4 for more information.

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Tasmea aims to drive continuous improvement through the implementation of operational efficiencies to reduce operating expenses, including the following initiatives:

- (iv) corporate services centralised in two locations provide an efficient back office function, and central management of finance, insurance, information technology, legal and regulatory compliance enabling subsidiaries to focus on delivering services to customers;
- (v) co-location of subsidiaries in key locations to enable sharing of rent and outgoings between subsidiaries; and
- (vi) ongoing investment and focus on common systems and processes across subsidiaries.

These initiatives are expected to continue to drive operational improvements and the related financial benefits in FY24F.

(e) Depreciation and amortisation expense

Depreciation is a non-cash expense that relates to the ongoing use of Tasmea's fixed asset base, including items such as commercial vehicles and trucks, plant and equipment, office furniture and equipment and leasehold improvements that have been capitalised. Depreciation is based on an existing useful life profile, with any new capital expenditure being depreciated over its useful life in accordance with Tasmea's accounting policies.

A component of depreciation also relates to Tasmea's property leases. Under AASB 16, Tasmea recognises a right of use asset on entry into a lease equivalent to the present value of minimum future lease payments and this asset is subsequently depreciated over the shorter of the useful life of the asset and the lease term.

Depreciation has grown in line with revenue growth, business acquisitions and the increasing size of Tasmea's customer base and headcount.

(f) Historical consolidated income statements (FY21 to FY23)

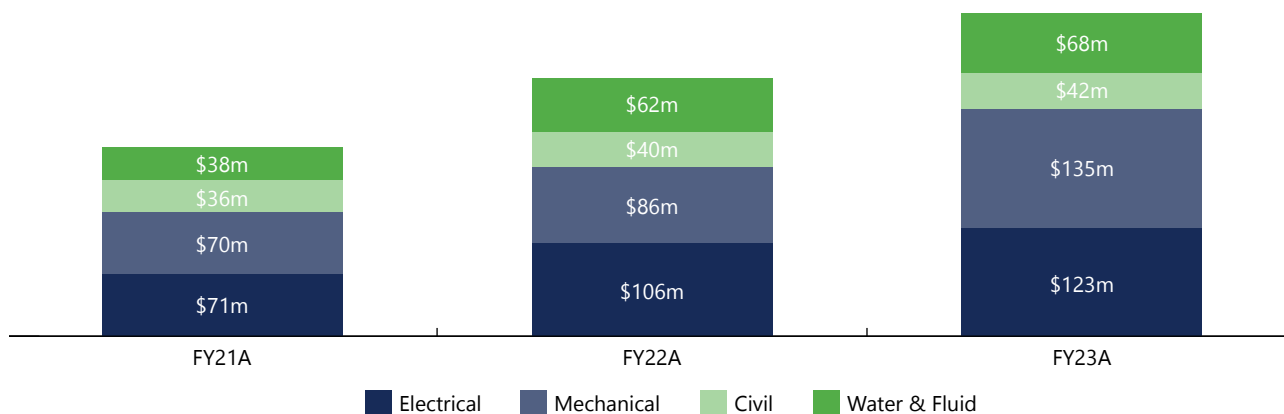
Pro Forma \$ million				FY22 Change		FY23 Change	
	FY21	FY22	FY23	\$m	%	\$m	%
Revenue	215.1	293.4	367.5	78.3	36.4%	74.1	25.3%
Costs of sales	(151.1)	(216.3)	(262.6)	(65.2)	43.2%	(46.3)	21.4%
Gross profit	64.0	77.1	104.9	13.1	20.5%	27.7	36.1%
Other income	3.5	3.0	1.8	(0.5)	(14.3%)	(1.2)	(40.0%)
Operating expenses	(31.2)	(37.5)	(53.1)	(6.3)	20.2%	(15.5)	41.4%
EBITDA	36.3	42.6	53.6	6.3	17.4%	11.0	25.8%
Depreciation and amortisation expense	(6.5)	(7.9)	(10.6)	(1.4)	21.5%	(2.7)	34.2%
EBIT	29.8	34.7	43.0	4.9	16.4%	8.3	23.9%
<i>EBIT margin</i>	<i>13.8%</i>	<i>11.8%</i>	<i>11.7%</i>	<i>(2.0bps)</i>		<i>(0.1bps)</i>	
Net profit after tax (NPAT)	18.2	23.2	28.4	5.0	27.5%	5.2	22.4%

(i) Pro forma

Tasmea's pro forma revenue increased by \$152.4 million or 70.8% from FY21 to FY23. There were several factors that contributed to this, including:

(A) Strong growth from all four business segments as shown in Figure 24 below:

Figure 24: Growth across four business segments



Electrical services increased from \$71 million in FY21 to \$123 million in FY23, representing a 20% compound annual growth rate. The growth is attributed to increased demand for specialist electrical services due to expansion of customer sites and shutdown maintenance in Western Australia and South Australia, and expansion into New South Wales and Queensland in FY23.

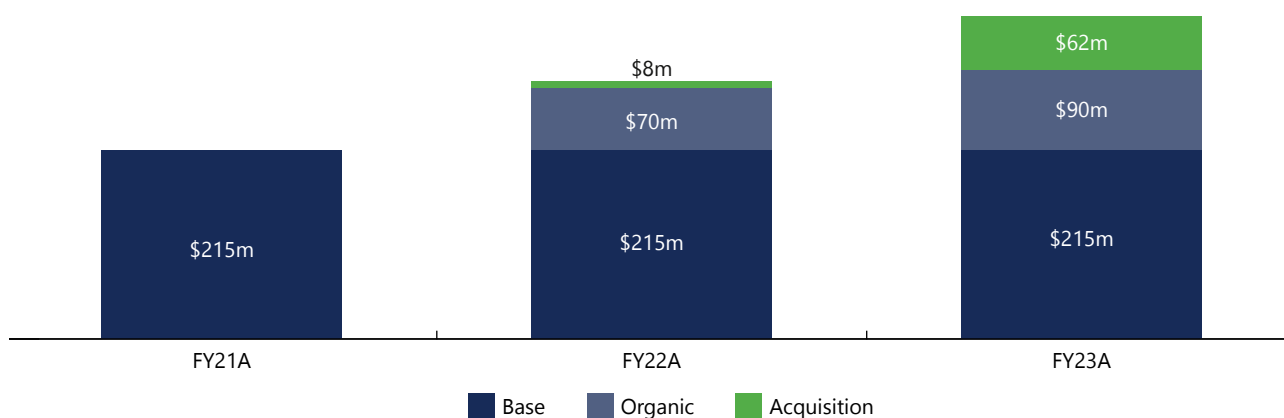
Mechanical services increased from \$70 million in FY21 to \$135 million in FY23, representing a 24% compound annual growth rate. The growth is attributed to the award of significant MSAs in Western Australia, expansion of operations in South Australia and Queensland, and the acquisition of Nobles in FY23.

Civil services increased from \$36 million in FY21 to \$42 million in FY23, representing a 5% compound annual growth rate. The nature of the growth is organic, and dependent on the demand for civil works in regional Western Australia and South Australia.

The Water & Fluid segment increased from \$38 million in FY21 to \$68 million in FY23, representing a 21% compound annual growth rate. The growth is attributed to the number of projects being delivered in FY22 and FY23.

(B) A combination of organic revenue growth and growth from programmatic acquisitions is shown in Figure 25 below:

Figure 25: Combination of organic revenue growth and growth from programmatic acquisitions



59% organic revenue growth from subsidiaries providing essential maintenance services to existing and new customers, facilitated by an increase in headcount, additional service offerings, and investment in plant and equipment.

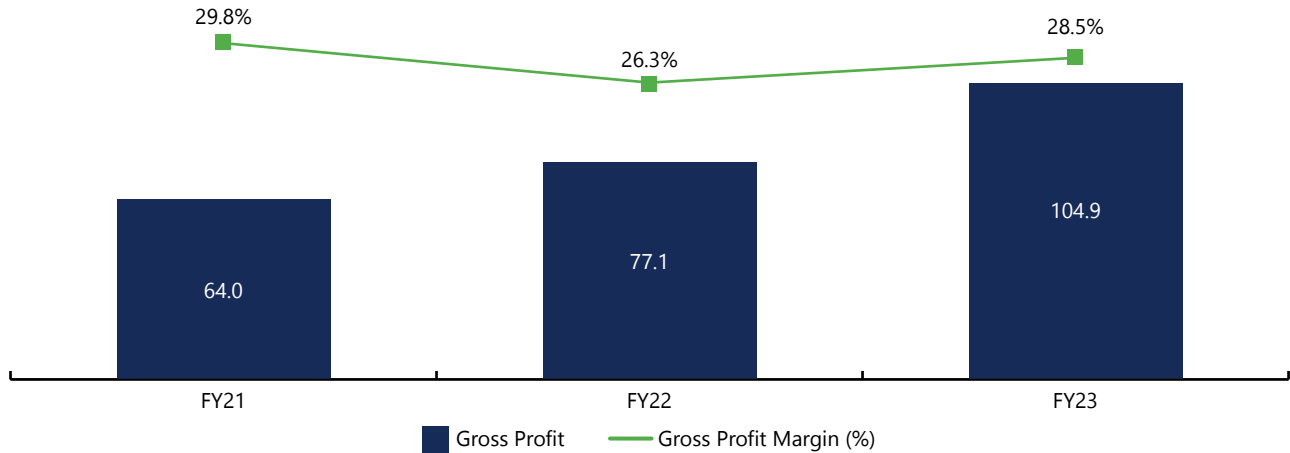
41% revenue growth is from the acquisition of TAMS and Nobles in FY23 (which are not included on a Pro Forma basis as discussed in Section 5.1). Both businesses were identified as opportunities for Tasmea to scale up and grow maintenance services, also increasing the depth of the group's service offering to existing customers.

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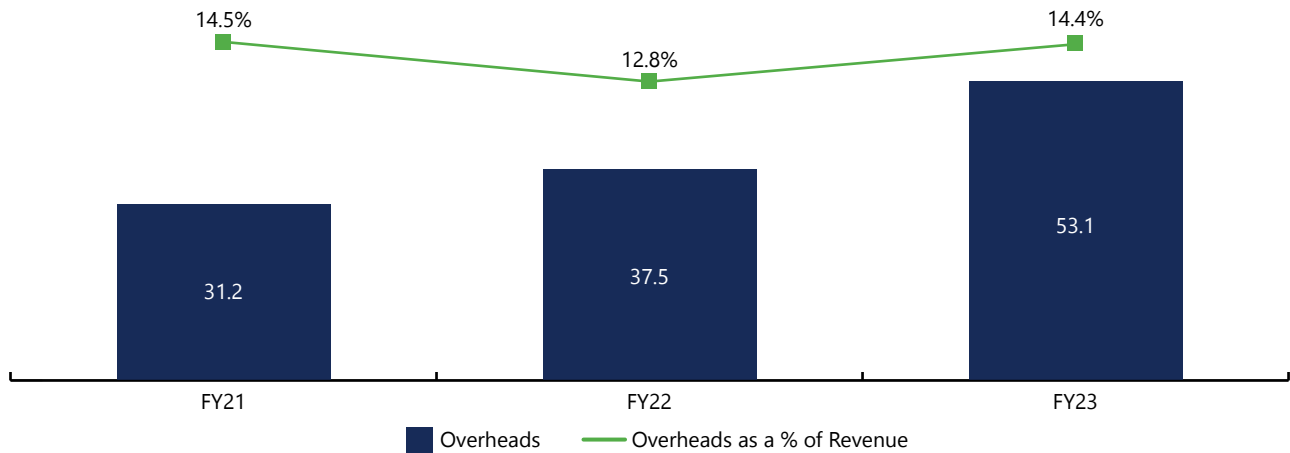
(C) An increase in headcount across the Tasmaea group.

In FY21 there were 892 employees on a proforma basis, increasing to over 1,300 in FY23.

Tasmaea's pro forma gross profit increased by \$40.9 million or 63.9% from FY21 to FY23. The increase is primarily attributed to the revenue growth over the period, and management of costs of sales, to generate consistent gross profit margins. The apparent decline in gross profit margin in FY22 was due to a high value, lower margin Water & Fluid segment project in FY22, with the increase in FY23 gross profit margin being due to a technical project in the Civil segment which generated a high gross profit margin.

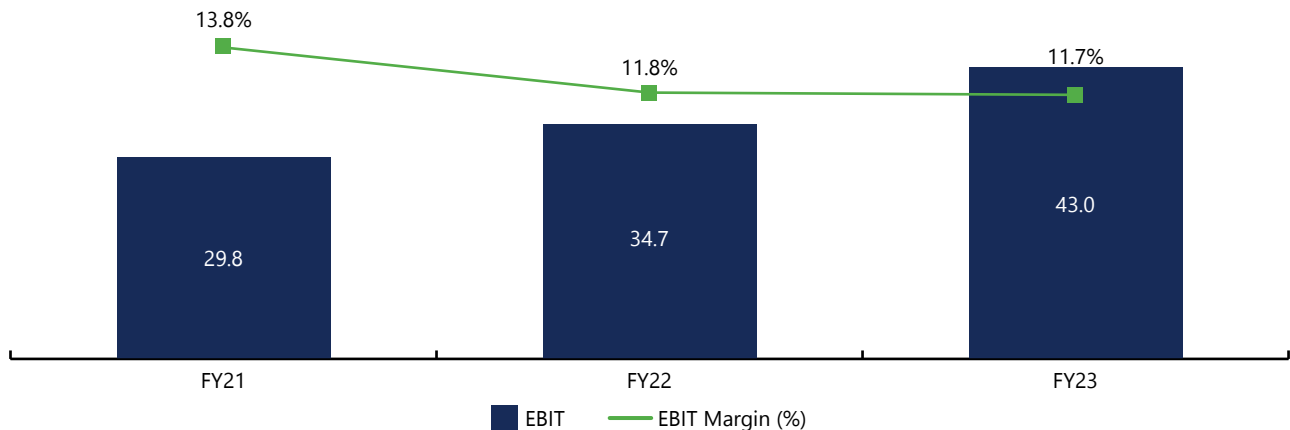


Operating expenses have increased across the Historical Period in line with the growth of the business.



Depreciation increased by \$4.1 million or 63.1% from FY21 to FY23. This was mainly due to the investment in commercial vehicles, plant and equipment for the civil services businesses, and property leases required to facilitate the revenue growth.

Pro forma EBIT increased by \$13.2 million or 44.3% from FY21 to FY23. The growth was attributed to the 70.8% increase in revenue over this period, as well as an improvement in profit margins.



Pro forma NPAT increased by \$10.2 million or 56.0% from FY21 to FY23 due to the factors discussed above.

(g) Historical consolidated cash flows (FY21 to FY23)

Pro Forma Historical				FY22 Change		FY23 Change	
	\$ million	FY21	FY22	FY23	\$m	%	\$m
Pro Forma EBIT	29.8	34.7	43.0	4.9	16.3%	8.3	24.0%
Non-cash movements	5.1	6.5	9.2	1.4	27.5%	2.7	41.5%
Changes in Net Working Capital	(5.2)	(4.2)	(19.2)	1.0	(19.2%)	(15.0)	357.1%
Operating Cash Flow	29.7	37.0	33.0	7.3	24.6%	(4.0)	(10.8%)
Capital Expenditure	(0.7)	(3.7)	(11.0)	(3.0)	428.6%	(7.3)	197.3%
Proceeds from sale of assets	0.4	0.2	2.5	(0.2)	(50.0%)	2.3	1150.0%
Receipt of government grants	1.4	–	–	(1.4)	(100.0%)	–	–
Net proceeds/Repayment of borrowings	(8.6)	0.3	(12.3)	8.9	(103.5%)	(12.6)	(4200.0%)
Tax paid	–	(1.2)	(0.8)	(1.2)	100.0%	0.4	(33.3%)
Interest expense	(4.2)	(3.4)	(3.5)	0.8	(19.0%)	(0.1)	2.9%
Free cash flow (prior to business acquisitions)	18.0	29.2	7.9	11.2	62.2%	(21.3)	(72.9%)

(i) Pro forma

Tasmea's pro forma operating cash flow increased by \$7.3 million to \$37.0 million in FY22 and decreased by \$4.0 million to \$33.0 million in FY23.

The decrease in FY23 is primarily due to the acquisitions of TAMS and Nobles in FY23 and the associated increase in net working capital in these subsidiaries. Specifically, Nobles was acquired out of administration with no working capital.

Free cash flow (prior to business acquisitions) increased from \$18.0 million to \$29.2 million in FY22, and decreased to \$7.9 million in FY23 due to an increase in payments for capital expenditure and repayment of borrowings in FY23.

5.8 Management discussion and analysis of pro forma forecast financial information

The Forecast Financial Information has been prepared in accordance with the Significant Accounting Policies adopted by Tasmea, which are consistent with the AAS and are disclosed in Appendix B. The Forecast Financial Information is based on various general and specific assumptions concerning future events, including those set out below.

The Forecast Financial Information for FY24F has regard to the performance of the business up to the date of this Prospectus.

The assumptions below are set out in summary only and do not represent all factors that may affect Tasmea's forecast financial performance. This information is intended to assist investors in assessing the reasonableness and likelihood of the assumptions occurring but is not intended to be a representation that the assumptions will occur.

In preparing the Forecast Financial Information, Tasmea has undertaken an analysis of historical performance and applied assumptions in order to forecast future performance for FY24F. Tasmea believes that the assumptions, when taken as a whole, are reasonable at the time of preparing this Prospectus, including each of the general and specific assumptions set out in this Section. However, the actual results are likely to vary from the forecast and any variation may be materially negative or positive. The assumptions upon which the Forecast Financial Information is based are by their nature subject to significant uncertainties and contingencies, many of which are outside the control of Tasmea and the Directors and are not readily predictable.

Accordingly, no assurance is given that the Forecast Financial Information or any prospective statement included in this Prospectus will be achieved. Events and outcomes might differ in amount and timing from the assumptions, with a material negative or positive impact on the Forecast Financial Information. The assumptions set out below should be read in conjunction with the sensitivity analysis set out in Section 5.10, the risk factors set out in Section 6 and the Investigating Accountant's Report set out in Appendix A.

The management discussion and analysis set out below contains references to Tasmea's Business Units as described in Section 3.4.

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(a) General assumptions

The Directors have adopted the following general assumptions in preparing the Forecast Financial Information:

- (i) there is no material change in the competitive and operating environments in which Tasmaea operates;
- (ii) there is no change in applicable AAS and IFRS that would have a material impact on Tasmaea's accounting policies, financial reporting or disclosure requirements;
- (iii) there is no significant deviation from current market expectations of the broader economic conditions including exchange rates relevant to the Australian operations under which Tasmaea and its key clients operate;
- (iv) there are no material changes in the legislative regimes (including taxation) and regulatory environment in which Tasmaea and its clients operate;
- (v) there are no material losses of customers or contracts beyond those incorporated in the forecasts;
- (vi) there are no material industrial actions or other disturbances, environmental costs or legal claims;
- (vii) there is no material amendment to or termination of any material agreement relating to Tasmaea's business other than as disclosed in this Prospectus;
- (viii) there are no significant disruptions to the continuity of Tasmaea's operations and there are no other material changes in Tasmaea's business;
- (ix) no material acquisitions or divestments are completed;
- (x) there are no material changes or delays in scheduled work programs from planned schedules;
- (xi) there are no material changes to Tasmaea's corporate and funding structure other than as set out in, or contemplated by, this Prospectus;
- (xii) there is no loss of key management personnel and Tasmaea will maintain the ability to recruit and retain required personnel;
- (xiii) there is no material litigation that will arise or be settled to the benefit or detriment of Tasmaea;
- (xiv) there are no material contingent liabilities that will arise or be realised to the detriment of Tasmaea;
- (xv) the Offer proceeds in accordance with the key dates set out on page 6 of this Prospectus; and
- (xvi) none of the risks set out in Section 6 occurs; or if they do, none of them has a material adverse impact on Tasmaea's operations.

(b) Specific assumptions

The Forecast Financial Information is based on various best estimate assumptions, of which the key assumptions are set out below. The assumptions below are a summary only and do not represent all factors that will affect Tasmaea's forecast financial performance. This information is intended to assist investors in assessing the reasonableness and likelihood of the assumptions occurring and is not intended to be a representation that the assumptions will occur. It should be read in conjunction with the basis of preparation of the Forecast Financial Information set out in Section 5.2(c), the general assumptions set out in this Section, the risk factors set out in Section 6, the Significant Accounting Policies set out in Appendix B and other information contained in this Prospectus.

Pro Forma \$ million					FY24 Change	
	FY23	H1 FY24A	H2 FY24F	FY24F	\$m	%
Revenue	367.5	200.7	234.4	435.1	67.6	18.4%
Cost of sales	(262.6)	(141.4)	(171.2)	(312.6)	(50.0)	19.0%
Gross profit	104.9	59.3	63.2	122.5	17.6	16.8%
Other income	1.8	1.2	0.6	1.8	–	–
Operating expenses	(53.1)	(27.6)	(29.6)	(57.2)	(4.1)	7.7%
EBITDA	53.6	32.8	34.3	67.1	13.5	25.2%
Depreciation and amortisation expense	(10.6)	(6.4)	(6.7)	(13.1)	(2.5)	23.6%
EBIT	43.0	26.4	27.6	54.0	11.0	25.6%
<i>EBIT margin</i>	<i>11.7%</i>	<i>13.1%</i>	<i>11.8%</i>	<i>12.4%</i>	<i>0.7bps</i>	
Net profit after tax (NPAT)	28.4	16.8	16.7	33.5	4.9	18.0%

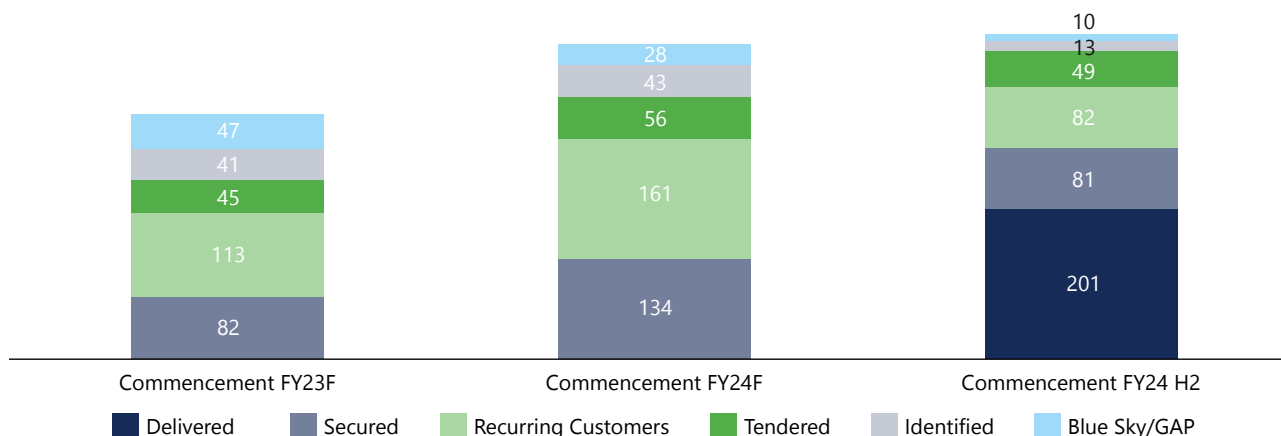
Tasmea has prepared its Forecast Financial Information based on the specific assumptions outlined below.

(i) Revenue

Tasmea’s pro forma revenue is forecast to increase by \$67.6 million or 18.4% from FY23 to FY24F. The increase in FY24 H1 was \$28.1 million, with the remaining \$39.5 million to be achieved in FY24 H2.

This is based on the following assumptions:

(A) A strong pipeline of secured and recurring revenue.



Revenue is considered secured when it relates to current contracts or purchase orders for customers under master service agreements. The FY24F H2 forecast has \$81 million or 35% of forecast revenue classified as secured.

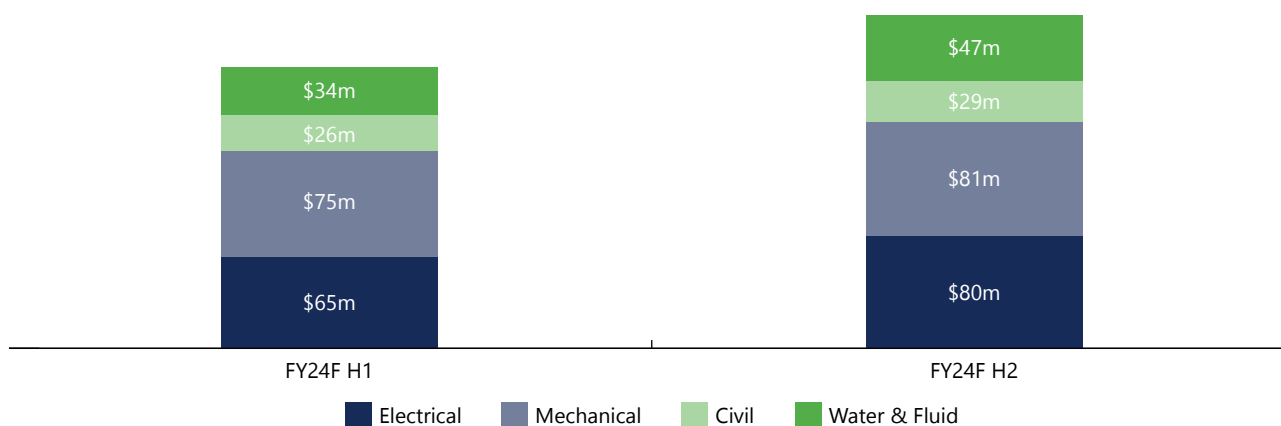
Recurring revenue, represents expected demand and purchase orders for customers based on a track record of work completed for the projects and customers in prior years. This is largely supported by MSAs and FMAs. The FY24F H2 forecast has \$82 million or 34% of forecast revenue classified as recurring.

Tendered revenue, represents opportunities where a tender has been submitted to a customer prior to 28 February 2024. The probability of converting these opportunities into signed purchase orders or contracts during the forecast period is considered during the forecasting process. The FY24F H2 forecast has \$49 million or 21% of forecast revenue classified as tendered.

Identified revenue, which represents known opportunities with existing customers, project sites, or regions where the opportunity has not yet been tendered as at 28 February 2024. The probability of converting these opportunities into signed purchase orders or contracts is considered during the forecasting process. The FY24F H2 forecast has \$13 million or 6% of forecast revenue classified as identified.

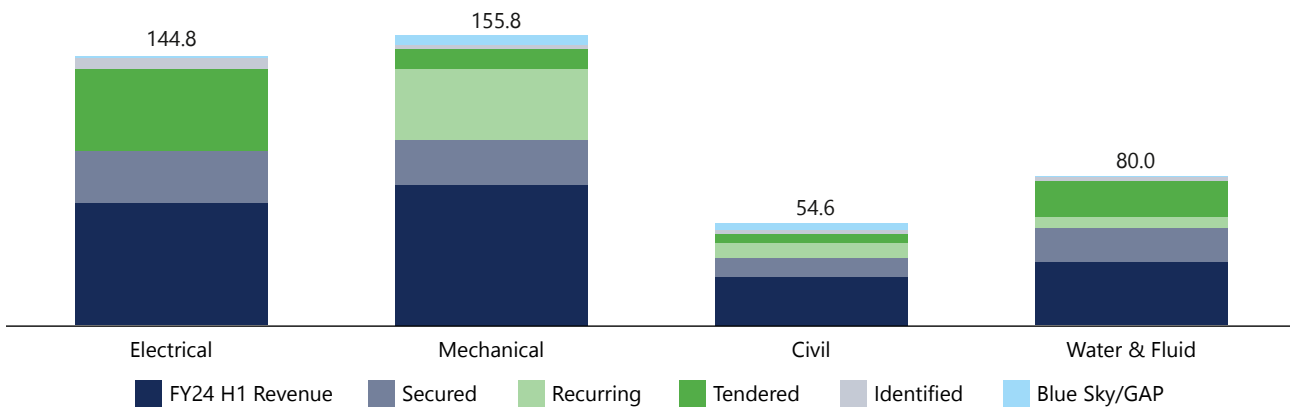
Blue sky revenue, which represents work that has not yet been identified but is expected to be won throughout the year based on prior historical experience. The probability of achieving the Blue Sky budget is considered during the forecasting process. The FY24F H2 forecast has \$10 million or 4% of forecast revenue classified as Blue Sky as at 28 February 2024.

(B) Strong growth from all four business segments as shown below.



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Pipelines by segment showing FY24F are shown below:



Electrical revenue is forecast to grow by 23% from \$65 million in FY24 H1 to \$80 million in FY24 H2, with total revenue of \$145 million in FY24F, compared to \$123 million in FY23. The growth is attributed to organic growth, from new MSAs and growth with existing customers. 72% of the forecast revenue in this segment is secured or recurring, driven by the MSAs and planned shutdowns.

Mechanical revenue is forecast to grow by 8% from \$75 million in FY24 H1 to \$81 million in FY24F H2, with total revenue of \$156 million in FY24F, compared to \$135 million in FY23. Of the forecast revenue in this segment 74% is secured or recurring, driven by MSAs, and growth of operations in both Queensland and Western Australia.

Civil revenue is forecast to grow by 12% from \$26 million in FY24 H1 to \$29 million in FY24 H2, with total revenue of \$55 million in FY24F, compared to \$43 million in FY23. The growth is expected to come from various projects in the Pilbara, Western Australia and 62% of the revenue is secured or recurring.

Water & Fluid is forecast to grow by 38% from \$34 million in FY24 H1 to \$47 million in FY24 H2, with total revenue of \$81 million in FY24F, compared to \$68 million in FY23. 52% of the revenue is considered secured or recurring. The growth is attributed to various projects being scheduled in FY24F.

The assumptions above are informed by Tasma's analysis of the competitive landscape, its points of competitive advantage (see Section 3.11 for further information), the number of other tenderers, client discussions and Tasma's relationships with its clients, as well as Tasma's historical experience in delivering services to clients.

(ii) Gross profit

Tasma's gross profit is forecast to increase by \$17.6 million or 16.8% from FY23 to FY24F. The increase is primarily attributed to the revenue growth over the period, at a gross profit margin consistent with FY23.



The forecast gross profit is based on the following:

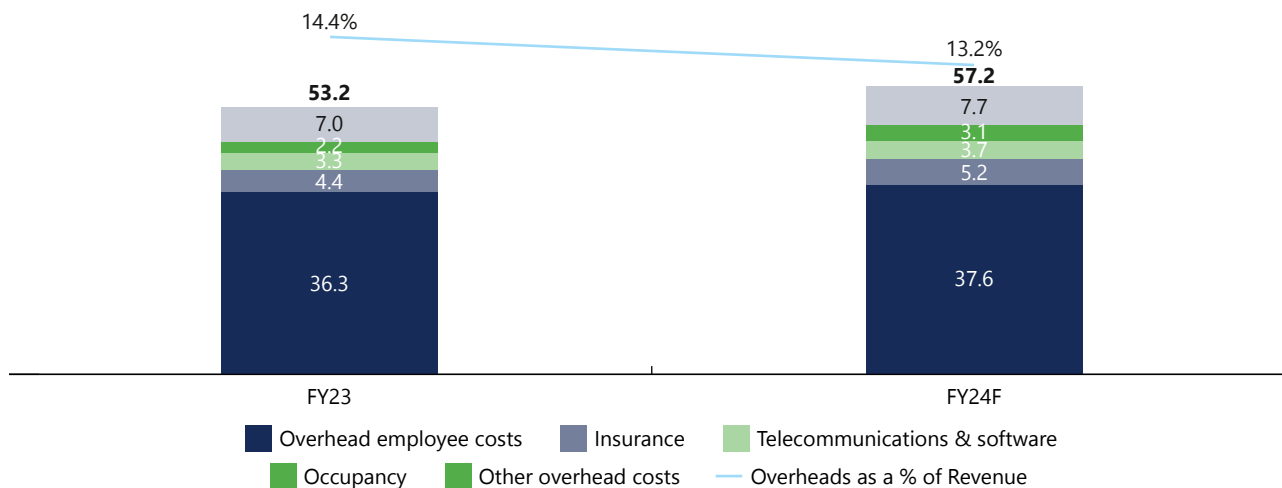
- The assumed revenue mix between project revenue and labour charge revenue based on a schedule of rates;
- The assumed labour mix between employees and subcontractors. Direct employee costs reflect existing enterprise agreement terms, and subcontractor costs are consistent with existing arrangements;

- (C) Tasma has assumed procurement, occupancy, travel, freight and repairs and maintenance terms reflecting existing arrangements;
- (D) Further synergies between subsidiaries, and operational improvements as outlined in Section 5.7(a); and
- (E) The levels of forecast labour, materials and other expenses remain consistent with historical trends.

(iii) Operating expenses

Operating expenses are forecast to increase in line with the growth of the business. As the revenue grows, the overheads as a percentage of revenue decreases due to economies of scale being achieved.

On a proforma basis, the operating expenses have increased from \$53.2 million to \$57.2 million, representing an increase of 7.7%. However, the operating expenses as a percentage of revenue have reduced from 14.4% to 13.2% due to the revenue growing at a higher rate due to operational efficiencies and leverage.



The forecast operating expenses are summarised and based on the following:

- (A) overhead employee costs are forecast to grow with additional headcount to support business growth and increase in remuneration levels;
- (B) insurance costs are expected to increase due to the business and headcount growth;
- (C) telecommunications & software expenses reflect costs associated with support and subscription services which are expected to increase resulted from the increased capacity requirements;
- (D) occupancy relates to general office maintenance, utilities and rates; and
- (E) other overhead costs include professional fees, travel, marketing, motor vehicles and other administration expenses.

(iv) Depreciation and amortisation

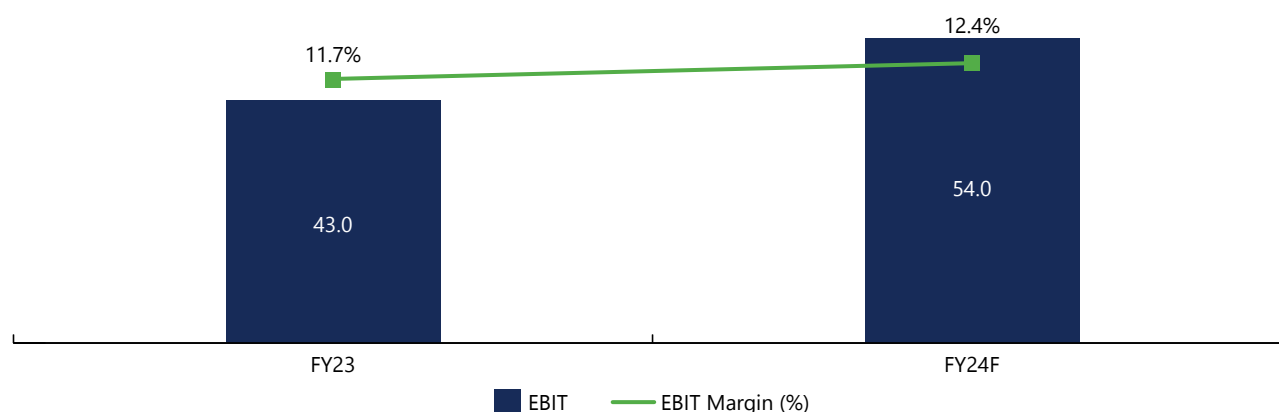
Forecast depreciation is based on the following:

- (A) depreciation schedules for existing commercial vehicles, plant and equipment, office equipment and leasehold improvements; and
- (B) depreciation of right-of-use assets in accordance with AASB 16 *Leases*;
- (C) depreciation for any planned Capital Expenditure.

Forecast amortisation is based on amortisation schedules for existing intangible assets including software.

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(v) Pro forma EBIT is forecast to increase by \$11.0 million in FY24F due to the forecast revenue growth at consistent gross profit margins being higher than the operating expenses.



(vi) NPAT is forecast to increase by \$4.9 million in FY24F due to the factors discussed above.

(c) Pro Forma Forecast Cash Flows

The table below shows the forecast consolidated cash flow statements for FY24F.

\$ million	FY23	FY24F	Change	%
Pro Forma EBIT	43.0	54.0	11.0	25.6%
Non-cash movements	9.2	13.1	3.9	42.4%
Changes in Net Working Capital	(19.2)	(12.6)	6.6	(34.4%)
Operating Cash Flow	33.0	54.5	21.5	65.2%
Capital Expenditure	(11.0)	(14.6)	(3.6)	32.7%
Proceeds from sale of assets	2.5	0.1	(2.4)	(96.0%)
Net proceeds/Repayment of borrowings	(12.3)	(9.5)	2.8	(22.8%)
Tax paid	(0.8)	(6.2)	(5.4)	675.0%
Interest expense	(3.5)	(5.4)	(1.9)	54.3%
Free cash flow (prior to business acquisitions and the Offer)	7.9	18.9	11.0	139.2%

(i) Pro Forma

Operating cash flow is forecast to increase from \$33.0 million to \$54.5 million in FY24F. This is primarily attributed to the increase in Pro Forma EBIT of \$11.0 million, with the residual movement attributed to working capital. As a percentage of total revenue, changes in Net Working Capital were 5.2% in FY23 and are forecast to be 2.9% in FY24F.

Loans and borrowings repayments are forecast to increase due to additional drawdowns for business acquisitions and capital expenditure.

Income tax payments are expected to be made for the first time since the beginning of the comparative period.

(ii) Capital expenditure

Forecast Capital Expenditure reflects the following assumptions:

- (A) Maintenance Capital Expenditure is based on capital investments expected to be required to replenish or replace existing property, plant and equipment, as well as IT systems; and
- (B) Growth Capital Expenditure is based on capital investments expected to be required to support new contracts won as well as other identified opportunities, weighted by Tasmea's assumed probability of winning those opportunities.

5.9 Sensitivity analysis

The Forecast Financial Information is based on a number of estimates and assumptions that are subject to business, economic and competitive uncertainties, many of which are beyond the control of Tasmae, its Directors and management, and dependent on assumptions with respect to future business developments, which are subject to change.

Investors should be aware that future events cannot be predicted with certainty and as a result, deviations from the figures forecast in this Prospectus are to be expected. To assist investors in assessing the impact of these assumptions on the FY24F forecasts, set out in the table below is a summary of the sensitivity of certain Forecast Financial Information to changes in a number of key variables. Given the level of secured and recurring revenue as a proportion of FY24F forecast pro forma revenue, and the amount of time between the Prospectus date and 30 June 2024, Tasmae has chosen to present the sensitivity report with respect to the FY24F forecasts.

The changes in the key variables as set out in the sensitivity analysis are not intended to be indicative of the complete range of valuations that may be experienced. For the purposes of the analysis below, the effect of the changes in key assumptions on the FY24F pro forma EBIT of \$54.0 million is presented. The potential changes in the FY24F pro forma EBIT are for the forecast results for the 12 months ending 30 June 2024.

The sensitivity analysis is intended as a guide only and variations on actual performance could exceed the ranges shown.

Care should be taken in interpreting these sensitivities. The estimated impact of the changes in each of the variables has been calculated in isolation from changes in other variables, in order to illustrate the likely impact on the forecast. In practice, changes in variables may offset each other or be additive, and it is likely that Tasmae management would respond to any adverse change in one variable by seeking to minimise the net effect on Tasmae's EBIT. The effect of movements in some variables may be non-linear, such that the effect of a movement of 10% in a variable may not be simply 10 times the effect of a movement of 1% in the variable.

FY24F \$ million		Impact on Revenue			Impact on EBIT		
		Base	Impact	Sensitivity	Base	Impact	Sensitivity
+1%	Revenue	435.1	4.3	439.5	54.0	0.5	54.5
-1%	Revenue	435.1	(4.3)	430.8	54.0	(0.5)	53.5
+1%	Gross Margin				54.0	4.4	58.4
-1%	Gross Margin				54.0	(4.4)	49.6
+1%	Overheads				54.0	(0.6)	53.4
-1%	Overheads				54.0	0.6	54.6

5.10 Financial risk management framework

Tasmae's business activities expose it to several financial risks including market risk (interest rate risk), liquidity risk and credit risk.

Tasmae manages financial risk through Board approved policies and procedures. These specify the responsibility of the Board of Directors and senior management regarding the management of financial risk. Financial risk is managed by Tasmae's subsidiary management teams under the direction of the Board of Directors. The subsidiaries manage risk exposures primarily through delegated authority limits and defined measures. Exposure to any of these financial risks are monitored and reported to the subsidiary Directors.

Tasmae does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

(a) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial asset or financial liability will change as a result of changes in market interest rates. Tasmae is exposed to interest rate risk as it borrows at floating interest rates and adverse movements in floating interest rates will increase the cost of floating rate debt. Tasmae's exposure to market interest rates relates primarily to its long-term debt. All interest rate exposures are identified, quantified, monitored and managed centrally by Tasmae's corporate services team.

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(b) Liquidity risk

Liquidity risk is the risk that Tasmaea will not have sufficient funds to meet its financial commitments as and when they fall due.

Liquidity risk management involves maintaining available funding and ensuring the consolidated entity has access to an adequate amount of committed credit facilities. Tasmaea's objective is to maintain a balance between continuity of funding and flexibility through the use of term loans, short term debt funding and finance leases.

The corporate services team manages liquidity risk through weekly cash flow forecasting and analysis. Tasmaea expects to have a \$69 million five-year term loan facility at Completion and cash on hand of \$41.9 million as at 30 June 2024, including the proceeds from capital raising, which will be available to fund working capital and expansion requirements.

(c) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to Tasmaea.

Tasmaea is exposed to counterparty credit risk arising from its operating activities (primarily customer receivables) and financing activities, including deposits with banks and financial institutions, and other financial instruments. The maximum exposure to credit risk arising from potential default of the counterparty is equal to the carrying amount of the financial assets.

Credit risks related to balances with banks and financial institutions are managed by Tasmaea's corporate services team in accordance with approved policies.

Trade receivables consist of receivables from corporations. Trade credit insurance has been held over the majority of trade receivables balances, and all balances are monitored regularly with the result that Tasmaea's exposure to credit losses to date has been negligible.

5.11 Dividend policy

The extent, timing and payment of any dividends in the future will be determined by the Board based on a number of factors, including general business environment, future earnings and the financial performance and position of the Company.

As at the Prospectus Date, the Company has declared a fully franked interim dividend of 2.5 cents per Share in relation to the financial year ended 30 June 2024. The dividend will be payable on 7 June 2024, with the record date for determining entitlement being 15 May 2024.

The Company has adopted a dividend payout policy within a range of 30% to 50% of retained earnings if its financial performance and position will enable the payment of dividends.

Any future determination as to the payment of dividends by the Company will be at the sole discretion of the Board and will depend on the availability of distributable earnings and operating results and financial condition of the Company, future capital requirements and general business and other factors considered relevant by the Board. No assurance in relation to the payment of dividends or franking credits attaching to dividends can be given by the Company.

Please read the Financial Information in conjunction with the assumptions underlying its preparation as set out in Section 5 and the risk factors set out in Section 6 concerning dividends.



SECTION SIX

KEY RISKS



6. KEY RISKS

This Section 6 outlines the potential risks associated with the operations of Tasmaea and consequently the risks associated with an investment in the Shares. This Section should not be taken as an exhaustive list of the risk factors to which the Company and its Shareholders are exposed. Unforeseen or currently considered insignificant risks could still significantly impact Tasmaea's business, financial performance, growth and Share value.

While Tasmaea has established safeguards, systems and controls over its operations, some of the described risks are beyond Tasmaea's control and cannot be mitigated. Any one or a combination of the stated risks could have substantial adverse effects and in addition new risks could emerge. Accordingly, investing in Tasmaea carries no guarantee in relation to the payment of dividends, capital returns or price at which the securities will trade.

The selection of risks outlined in this Section is based on an assessment of likelihood of the risk occurring, the ability to mitigate the risk and the severity of the impact if the risk did occur. The assessment of the risks is based on Tasmaea's knowledge as at the Prospectus Date. Tasmaea's ability to fulfill its business strategy and the realisation of forward-looking statements contained in this Prospectus are uncertain. Investors should note that past performance is not a reliable indicator of future performance.

Before deciding to invest in Shares, investors should read this Prospectus carefully and, in its entirety, to satisfy themselves that they have sufficient understanding of the actual and potential risks associated with such an investment. Investors should consider whether an investment in Tasmaea is suitable, having regard to their personal circumstances, investment objectives, financial circumstances, tax position and particular needs. If you do not understand any or part of this Prospectus or are in any doubt as to whether to invest in Tasmaea, you should seek professional guidance from your solicitor, stockbroker, accountant, or other independent and qualified professional advisor before deciding whether to invest.

6.1 Specific risks to Tasmaea

(a) Workplace health and safety performance and obligations

Workplace health and safety performance is a critical element in the reputation of Tasmaea and its subsidiaries. The Tasmaea Group's ability to retain existing contracts, and continue to be awarded new contracts in the industries it operates in is dependent upon its demonstrated record for safe work.

Whilst Tasmaea subsidiaries have an exceptional safety record underwritten by an unwavering commitment to achieving safe outcomes within all of its workplaces, a fatality or a serious workplace injury has the capacity to impact adversely on the reputation, operational and financial outcomes of one or more of the Tasmaea subsidiaries and potentially the entire Tasmaea Group.

In addition, work health and safety laws and regulations combined with customer requirements may become more complex and may increase the cost of compliance. Failure to comply with applicable laws, regulations or requirements may result in significant liabilities, suspended operations and increased costs.

Tasmaea's self-insured workers' compensation licence in South Australia is linked to the safety performance and adherence to the self-insured safety and injury management performance standards set by ReturnToWorkSA. Failure to meet these benchmarks could result in Tasmaea losing its self-insured status and as a consequence increase the complexity of managing workers' compensation matters and the cost of workers' compensation insurance in South Australia.

(b) Quality of work and delivery

An important part of the Tasmaea Group's business is its ability to add value to its customers by delivering exemplary services in a consistent and timely manner. Whilst each Tasmaea subsidiary has a strong record of delivering and has systems and processes in place to ensure the continuation of these exemplary service standards, there is no guarantee that all Tasmaea subsidiaries will always meet its customers' expectations as to the quality and timing of the work performed. Any such failures, or perceived failures, could have an adverse impact on the Tasmaea Group's reputation and/or financial performance.

(c) Retention of key management

The Tasma Group's performance is influenced by the capabilities of its key leadership personnel and senior executives within each Tasma subsidiary to effectively oversee its operations, foster growth, and address the requirements of its customers. The retention and engagement of these senior leaders and essential staff members play a pivotal role in managing customers and ensuring the smooth progress of ongoing customer interactions.

Notwithstanding Tasma has 18 senior executives across its operating subsidiaries, each of these individuals is respected within the specialised sector that they operate and because of their reputation, leadership, skilled work, service and safe delivery would be difficult to replace them over the short-term.

Loss of the Tasma Group's key leadership personnel may result in the Tasma Group not being able to replace its leadership team with suitable executives with relevant experience and qualifications fitting within the Tasma Group's culture, noting that the current Executive Directors have substantial commercial and operational know-how and experience providing a number of succession options to the Managing Director.

If a number of Tasma's key leadership personnel or senior executives leave, this may have a negative impact on one or more of Tasma's subsidiaries and potentially the entire Tasma Group.

(d) Key project and customer risk

The Tasma Group currently services a number of customers across Australia. Certain customers represent a significant portion of the Tasma Group's revenue. In FY23, approximately 54% of the Tasma Group's consolidated revenue was derived from the Tasma Group's top 10 customers and associated entities. However, this consolidated revenue was generated by 18 subsidiaries utilising over 35 MSAs and 6 FMAs. Furthermore, the revenue was generally generated from individual work orders originated in accordance with the MSAs over a diversified range of work sites. No individual work order is expected to exceed 5% of Tasma's consolidated turnover in FY24.

The Tasma Group generally derives its revenue by providing specialised labour services at an hourly rate per tradesperson. The services are generally provided under a services agreement with a customer which are non-exclusive and are not subject to any minimum spend obligations. Important financial information concerning Tasma's consolidated revenue, historical performance and forecast assumptions are contained in Section 5. The Tasma Group's customer engagement model and general contracting terms are summarised in Sections 3.8 and 8.7(b), respectively.

Substantial changes in the extent, schedule, and pricing of specialised labour provided by Tasma's subsidiaries to its major customers could potentially adversely impact the Tasma Group's financial position, profitability, and overall financial results.

(e) Labour supply and costs

The Tasma Group's ability to carry out its services is dependent on the availability and cost of skilled and qualified labour. Increased levels of activity, especially during boom construction cycles, and a growing number of competing employers may lead to a shortage of skilled personnel for the services which the Tasma Group provides.

Whilst Tasma has several initiatives in place to mitigate this risk, significant staff losses or a failure to attract and retain sufficient new staff may have an adverse impact on the financial performance of one or more of the Tasma subsidiaries and potentially the entire Tasma Group and its growth prospects. This risk is mitigated by having 18 different employment pools for each skill specialty and the Tasma Group's nation wide geographic spread.

The operations of the Tasma Group are labour intensive and the Tasma Group currently has over 1,400 employees employed on a mix of permanent, part time and casual basis. Increases in the cost of labour may have a material impact on the financial position and operations of Tasma.

Any failure by the Tasma Group to deliver on customer needs or requests due to the Tasma Group being unable to retain existing staff or attract new employees may negatively impact the Tasma Group's reputation, and have a materially adverse impact on the Tasma Group's operations, profitability and growth.

6. KEY RISKS

(f) Remote operations

The Tasma Group frequently undertakes projects in remote locations. The remoteness of some of Tasma's locations results in an exposure to increased risk of a shortage of skilled and general labour. Notwithstanding the bargaining power of Tasma's subsidiaries, there is potential that increased costs may not be able to be passed on to the Tasma Group's customers which may impact the profitability of one or more subsidiaries and potentially the entire Tasma Group.

Some remote locations may also involve increased risks to operations and personnel on site. Tasma subsidiaries may also be exposed to greater risk of logistical difficulties for transporting equipment and skilled personnel due to remote locations.

Historically, Tasma subsidiaries have demonstrated an ability to effectively manage these risks and where necessary pass on the anticipated additional costs to Tasma Group's customers, however there is no guarantee that the Tasma Group will be able to continue to do so in the future.

(g) Large and skilled workforce

The Tasma Group employs a large and skilled workforce consisting of more than 1,400 people across Australian States and Territories. Of these 1,400 employees, approximately 650 are employed on a casual basis with the remainder on a full-time permanent basis.

Effectively managing and motivating skilled personnel is critical for the Tasma Group to minimise turnover, mitigate operational disruption, secure adequate workforce levels to meet demand and maintain quality of services. This risk is mitigated in part by employing all the Tasma Group's employees in different locations throughout Australia through its 18 subsidiaries.

(h) Culture

The Tasma Group's ability to retain and attract new employees is dependent on the Tasma Group's culture. A negative change in the Tasma Group's culture or the perception that such change has occurred, may adversely impact each Tasma subsidiary's ability to retain its existing workforce and recruit suitable and qualified new employees. As the Tasma Group is reliant on its workforce to service its customers (see Section 3.11(a) for further details), any adverse impacts to the Tasma Group's workforce may lead to disruptions to Tasma's business operations and may have a negative impact on the Tasma Group's growth prospects.

(i) Reputation

Tasma's ability to maintain its reputation is critical to its ongoing financial performance. The Tasma Group's reputation could be impacted if it does not maintain high standards for service quality or if it fails to comply with regulations or accepted practices. Furthermore, the actions of external entities (i.e. subcontractors, technical service providers or material suppliers), have the potential to negatively impact the Tasma Group's reputation.

Any consequential negative publicity may reduce demand for the Tasma Group's services. Non-compliance with laws and regulations, inadequacy in maintaining a robust internal control system, or the inability to provide accurate and timely financial information could also impede the Tasma Group's reputation and expose it to potential legal action or other unfavourable outcomes, thereby further adversely impacting the Tasma Group's reputation and financial performance.

(j) Renew existing contracts or win new contracts

The Tasma Group has several MSAs and FMAs with fixed durations that are reviewed at the end of their terms. The MSAs and FMAs normally involve either exclusive or preferential appointment to a panel of service providers. These agreements do not guarantee the awarding of work to each of Tasma's subsidiaries as they are subject to separate work or purchase orders. At any point in time, the Tasma Group is at risk of another service provider offering similar work at a lower price. Appointment to a service provider panel only usually occurs when the relevant work scope is re-tendered and provides a significant barrier to entry.

Tasma's subsidiaries are also on several vendor panels (see Section 3.8 for more details), providing the opportunity to participate in certain tender processes that would otherwise be inaccessible. Panel appointments do not guarantee the awarding of contracts to Tasma's subsidiaries. The appointments to these panels have fixed durations, typically spanning three or five years, and Tasma's subsidiaries are one of many service providers listed on each panel.

In the event that a Tasma subsidiary fails to retain its position on a panel, encounters difficulty securing work under existing panel arrangements, or faces challenges obtaining future panel positions, there could be adverse effects on the Company's financial performance and prospects for growth.

The Tasma Group engages in competitive processes in relation to existing contract renewals and new contract awards. There is a risk that the Tasma Group may not win or renew these contracts.

(k) Delay in new contracts' commencement

There is a possibility of delays in the commencement of any new projects due to delay in project pre-requisites for commencement not being met, material delivery, adverse weather events and resources mobilisation.

Additionally, a Tasma subsidiary may be a party to a contract where its ability to fulfill obligations and generate revenue depends on third parties and the customers fulfilling their commitments in a timely manner. For instance, delays in infrastructure or building construction, or the commissioning of plant and equipment, for which a Tasma subsidiary is responsible for maintenance services, can impact the Tasma subsidiary's ability to commence work and generate revenue.

The Tasma Group may lack contractual protection against such delays in some of their contracts, notwithstanding the Tasma Group has a strong focus on putting appropriate protections in place during the contract negotiation phase. Consequently, any delays in contract commencement or issues affecting mobilisation could lead to revenue delays and additional costs, potentially having adverse impact on the Tasma Group's operations and financial performance. This could also impact the Tasma Group's ability to achieve the business forecasts.

(l) Downturn in key industries serviced by Tasma

The Tasma Group specialises in outsourced maintenance services, emergency breakdown and sustaining capital upgrade services with its financial performance and projected growth directly tied to the amount of outsourced work it receives from customers. A reduction in outsourced maintenance services may result from a variety of factors, including changing economic conditions or industry trends and changes in the specific strategies of Tasma's customers.

The Tasma Group primarily serves customers in mining and resources, oil and gas, power and renewables, defence and infrastructure, telecommunications and retail, waste and water in Australia, as discussed in Section 3.9. A decrease in outsourced services or unfavourable customer decisions could significantly impact the Tasma Group's future revenue, profitability, and growth prospects.

While the Tasma Group is relatively sheltered from commodity price downturns due to its focus on fixed plant maintenance, a downturn in mining and resources, oil & gas, power and renewables, defence and infrastructure or waste and water sectors in Australia could still negatively affect the Tasma Group's performance.

(m) Mergers and acquisitions risk

Tasma has previously acquired and intends to acquire businesses in the future. However, there is no guarantee of success in identifying suitable acquisition opportunities, negotiating favourable terms, or achieving the expected benefits and synergies from these acquisitions. The ability to realise these advantages partly relies on Tasma's capacity to effectively integrate newly acquired businesses with its current operations.

The challenges of integrating and operating acquired businesses may be greater if Tasma acquires businesses that provide services outside the Tasma Group's current offering or involve a business that is culturally different to Tasma, particularly if it is unable to retain the acquired company's management. Integrating a new business introduces changes that could disrupt both the existing and newly acquired operations.

While Tasma aims to conduct thorough due diligence on potential acquisitions, these opportunities still carry inherent risks of underperformance or mishandling. Information about acquisitions is often obtained from the vendors or their representatives. Despite efforts to conduct due diligence, Tasma and its advisors cannot fully verify the accuracy and completeness of all provided information. In cases where information is incomplete, inaccurate, or misleading, there is a risk that Tasma's financial performance might deviate from expectations, and the anticipated benefits from the acquisitions might not materialise.

6. KEY RISKS

Tasmea will seek to obtain customary warranties and indemnities from vendors of acquired assets. However, Tasmea may not be able to obtain, or may not obtain, all appropriate warranties or indemnities, or further risks outside of due diligence may arise that are not covered under the warranties and indemnities within the relevant acquisition agreement. If a liability arises in respect of which Tasmea is not indemnified, this may adversely impact the financial performance of Tasmea. Similarly, Tasmea has previously divested certain businesses for strategic reasons, and it might continue to do so in the future. This could expose Tasmea to risks associated with ongoing liabilities and indemnities specified in the relevant sale agreements.

In addition, when pursuing future acquisitions or investments, there is a risk that Tasmea will overestimate the value of acquired businesses and therefore overpay. This may adversely impact Tasmea's financial performance, its growth strategy and its capacity to pursue further acquisitions.

(n) Increased competition from existing and new competitors

The broader industry in which the Tasmea Group operates is competitive and a significant number of both large and small companies competing with the Tasmea Group, albeit the Tasmea Group's strategic positioning as a specialist skilled trade provider in remote areas provides lower levels of current competition in certain regional geographies. Tasmea believes none of these competitors provide specialist trade services at either a diversified range or scale as offered by the Tasmea Group. This competitive landscape is anticipated to persist posing various challenges to the Tasmea Group's efforts to sustain revenue levels and satisfactory profit margins.

Failure to effectively address these competitive challenges may result in a loss of market share to rival companies and an overall decline in earnings for the Tasmea Group. Furthermore, continued and intensified competition from existing competitors or new entrants could have adverse effects on the Company's financial performance and hinder the successful execution of its growth strategy.

(o) Industrial relations and employee risks

Some of the Tasmea Group's employees are under enterprise agreements and workplace agreements. The enterprise agreements and workplace agreements can each be for a term of up to four years.

Effective management of enterprise and workplace agreements is vital to minimise the risk of labour disputes. Complex interpretations of modern awards and Enterprise and workplace agreements put individual Tasmea subsidiaries at risk of underpayment, which could lead to regulatory non-compliance and damage its financial standing and reputation.

Changes in labour laws could impact the Tasmea Group's employment structure, affecting workforce flexibility, labour costs, and casual labour usage. Industrial action could result in losses for one or more of Tasmea's subsidiaries and potentially the entire Tasmea Group if it disrupts services or customer contracts do not provide for the recovery of costs associated with industrial relation legislative changes.

(p) Subcontractors and suppliers

Tasmea's subsidiaries primarily self-perform, although certain activities involve reliance on subcontractors and suppliers. The Tasmea Group's ad hoc dependence on subcontractors and suppliers for service provision diminishes its ability to exercise control over the delivery, quality, and dependability of the services offered.

There is a risk that a subcontractor or supplier may fail to deliver the services that they are required to provide, or fail to deliver such services in a timely manner or to the standards required (including failing to comply with the service standards required in Tasmea's contractual arrangements or otherwise failing to comply with all laws and regulations).

The occurrence of delays, interruptions, or a decline in the quality of goods or services from a subcontractor or supplier (or any non-compliance by them with pertinent laws and regulations) could impair the Tasmea Group's ability to provide services to its customers and could affect the Tasmea Group's reputation and adversely impact its financial performance.

Furthermore, should any subcontractor or supplier become unable to continue rendering services to a Tasmea subsidiary for any cause, and a suitable substitute service provider is not promptly identified, that Tasmea subsidiary's financial and operating performance could be adversely impacted, which could impact the performance of the entire Tasmea Group.

(q) Unfair dismissal claims

The Tasma Group recognises that employees have access to unfair dismissal claims pursuant to the *Fair Work Act 2009* (Cth) and that such employees may be entitled to remedies including reinstatement or compensation if such claims were successful.

Further, while casual employees are not entitled to redundancy under the *Fair Work Act 2009* (Cth), there is a risk that employees who are not genuinely casual can make a claim for redundancy payments on the basis that they are actually permanent employees. This risk is mitigated by Tasma subsidiaries writing to all casual employees each six months asking them to confirm they do not wish to take up permanent employment.

While no such claims have been made to Tasma's subsidiaries in the past, there is a risk that such claims may be made in the future which may have negative implications for Tasma's subsidiaries.

(r) Misconduct

Should an employee, subcontractor, or agent engage in fraudulent activities, violate the Tasma Group's security protocols or clearances, or engage in any other form of misconduct, such incidents could potentially have a negative impact on the Tasma Group's business operations, government clearances, and overall reputation.

Misconduct by employees or subcontractors could involve security breaches or intentional failures to comply with applicable laws, including laws and regulations relating to environmental, health or safety matters and regulatory or internal policy requirements for handling of sensitive or otherwise protected information.

Inappropriate conduct could also include the unauthorised disclosure or misuse of sensitive information belonging to the Tasma Group's customers. Such actions could potentially lead to regulatory penalties imposed on the Tasma Group and significant damage to its reputation. These actions could also lead to civil, criminal and/or administrative penalties (including fines or imprisonment), cancellation of contracts, loss of security clearances and suspension or restrictions from government work, and harm the Tasma Group's reputation, which could have an adverse impact on the Tasma Group's financial performance and financial position.

(s) Cyber security

The Tasma Group may be adversely affected by malicious third-party applications that interfere with, or exploit, security flaws in the Tasma Group's software (some of which may be managed by third parties). Viruses, worms, and other forms of malicious software have the potential to compromise the security of data stored within the computer systems of both customers and Tasma's subsidiaries including private or confidential information collected or retained by Tasma's subsidiaries on behalf of its customers.

Despite the Tasma Group's commitment to ensuring appropriate prevention measures are in place, a possibility exists that these efforts may not be sufficient. To a certain extent, the Tasma Group's reliance extends to the preventive measures adopted by its customers, its information technology suppliers, and external parties, which might not necessarily be comprehensive or up-to-date.

If the Tasma Group's efforts to combat these malicious applications are unsuccessful, the Tasma Group's reputation and brand name may be impacted, which may result in an adverse effect on its operations and financial position.

Breaches of security, such as cyber-attacks by hackers, could also render the Tasma Group's information technology infrastructure and software platforms unavailable through a disrupted denial of service or other disruptive attacks. Moreover, any instances of privacy or data security breaches, or the Tasma Group's inability to safeguard private or confidential customer data, could lead to violations of the Tasma Group's commitments outlined in its contractual agreements and relevant legal stipulations.

The Tasma Group's information technology infrastructure, encompassing both software and hardware components, could potentially face susceptibility to harm or disruption arising from system malfunctions, power outages, telecommunication breakdowns, insufficient system upkeep, physical infrastructure damage, unforeseen incidents stemming from natural or human origins, misuse, human errors, or other unexpected circumstances. These factors have the potential to render the systems intermittently unavailable.

6. KEY RISKS

(t) Third party or commercial operations interruption

The Tasma Group provides services to prominent mining, oil and gas and utility companies and operates within settings where it interacts with the public and third-party commercial businesses. While delivering these services, Tasma's subsidiaries could potentially inflict harm upon individuals, as well as cause damage or disruption to the business operations of third parties.

In some instances, Tasma's subsidiaries are responsible for a customer's assets and may be exposed to risk of loss or damage to such assets irrespective as to the cause of that loss or damage.

The Tasma Group may be liable for such injury, damage or interruption not covered by insurance protection, which may have a material adverse impact on the Tasma Group's financial performance and financial position.

(u) Capital and maintenance expenditure

The Tasma Group requires adequate access to capital in order to finance the maintenance and upkeep of its current physical assets and equipment, as well as for potential future growth needs. If the Tasma Group faces difficulty or is unable to secure the necessary capital under favourable terms, it could impede the Company's capacity to maintain or expand its asset base, ultimately adversely impacting the Tasma Group's operation and financial performance.

(v) Operating risks

Although the Tasma Group has established risk management practices to identify, monitor, control and manage risk at the individual contract or project level, the Tasma Group and its customers and suppliers are exposed to a range of operational risks relating to both current and future operations.

These risks include, but are not limited to, potential delays in project completion, failure to deliver services in accordance with contract requirements, human error, accidents, weather, terrorism, natural disasters, budget overruns, delays, industrial and environmental accidents, industrial disputes, contract losses, delays due to government actions, delays due to public health issues (such as the outbreak of a pandemic or contagious disease, e.g. COVID-19), litigation or damage by third parties, or increases in the cost of materials, spare parts, labour and plant and equipment.

In instances where projects encounter delays, the recognition of revenue for such contracts might be deferred to subsequent periods, potentially amplifying the cost of performance due to rising prices. This deferral could adversely affect the Tasma Group's financial standing and results.

Whilst the Tasma Group makes a concerted effort to mitigate these operational risks and seek escalation provisions to protect against cost increases or to insure against them, the Tasma Group cannot control the risks its customers and suppliers are exposed to, nor can it remove all disruption risk to its own business; and one or more of these risks may adversely impact the Tasma Group's reputation, financial performance or position.

(w) Contingent liabilities

Although Tasma has limited contractual security arrangements in place in form of issued bank guarantees and bonds as at the Prospectus Date, there is a risk that a performance security may be called upon, requiring Tasma to make whole the provider of the security which may in turn adversely impact Tasma's financial performance. There is also a risk that such performance securities may become harder or more expensive to secure in the future.

(x) Securing funding on acceptable terms

As outlined in Section 8.7(d)(i), the Tasma Group are parties to separate facility agreements with the Bank of South Australia for the purposes of financing equipment acquisitions, providing guarantees and financing other corporate expenses.

The specific terms offered by debt financiers are dependent on factors such as prevailing macroeconomic conditions, the duration of the facilities, Tasma's future performance, and the risks associated with how the funds will be used.

Any deterioration in Tasma's financial health, a decline in its creditworthiness, or instability in local and global banking and capital markets might lead to higher borrowing costs for Tasma or may impede its ability to secure additional debt or replace existing debt as it matures.

An inability for Tasma to secure debt funding on favourable terms, or to continue to comply with its financial covenants, could constrain the future growth of its business and could adversely impact Tasma's operating and financial performance.

(y) Growth management

Tasmea has a history of sustained growth in revenue and profit which is expected to continue. Continued growth is dependent on many factors, as set out in this Prospectus.

There is a risk that Tasmea may not successfully execute its growth strategies. There is no guarantee that Tasmea will achieve ongoing success in maintaining growth or that its past record of growth serves as a reliable predictor of future expansion.

The Tasmea Group has also experienced significant growth in recent years in its employee numbers and operating activities. To manage this growth effectively, the Tasmea Group will need to continue to develop and maintain its operational and financial systems and continue to train, expand and manage its employee base while at the same time maintaining the Tasmea culture. An inability to achieve growth effectively may adversely affect the overall performance of Tasmea.

6.2 General risks

(a) General investment risks

Share prices quoted on the ASX may increase as a consequence of a range of variables. These factors may in turn in prices that differ to that being offered under this Prospectus. No assurance is provided regarding the Share price following Official Quotation.

Factors which can impact the Share price include:

- (i) movements in broader domestic and international stock markets;
- (ii) the state of the broader industry that Tasmea operates within;
- (iii) changes in government policies, regulation or legislation;
- (iv) any inclusion or removal of Tasmea within key market indices;
- (v) material acquisitions or divestments;
- (vi) changes in economic conditions including interest rates, inflation rates, exchange rates, commodity and oil prices; and
- (vii) other factors including for example the consideration of additional risks to normal course of business including a pandemic, political unrest and adverse weather events.

(b) Non-compliance and regulation risk

Changes in regulatory landscape including a variety of Commonwealth, State and Local laws and regulations dealing with environmental matters, industrial matters, data, data security, privacy, occupational health and safety, sustainability matters and tax systems may affect Tasmea's operations and financial performance.

Breaching any laws or regulations applicable to Tasmea carries the potential for punitive actions such as conditions, fines, penalties, prosecution, or other sanctions, all of which could affect Tasmea's business operations and financial status and the Tasmea Group's capabilities to secure and retain contracts with customers.

(c) General Australian economic conditions

The Tasmea Group operates in Australia, and its operational and financial performance is affected by the economy and the economic conditions within the key industries that the Tasmea Group serves (see Section 2 for details) as well as global economic conditions. Prolonged economic decline could reduce demand for the Tasmea Group's services or hinder contract renewal at current or better rates. Australian economic circumstances might foster heightened competition, both from local and international businesses. These factors may adversely affect Tasmea's financial outcomes and growth.

6. KEY RISKS

(d) Shares liquidity

Following Listing, there is no assurance of an active trading, market development or a rise in the Share price. Limited potential buyers or sellers on the ASX could hinder Share transactions, potentially impeding investors from selling. Illiquidity poses a genuine risk, potentially preventing Shareholders from realising their investment in the Company.

Reduced Share trading volumes might heighten Share price volatility, where a small number of Shares traded could cause significant price fluctuations. This situation could also impact the prevailing market price at which Shareholders can sell, potentially resulting in Shareholders receiving a market price below their purchase price.

Furthermore, certain Existing Shareholders (including those Existing Shareholders that elect to participate in the Sale Offer) will be subject to voluntary escrow arrangements for a period of 11 months from the date of Admission. Executive Management will be subject to voluntary escrow arrangements for a period of 17 months from the date of Admission. Refer to Sections 4.14 and 8.6 for further details of the escrow arrangements.

Both the size of the shareholding of Existing Shareholders and the applicable Escrow Periods are likely to cause or contribute to limited liquidity in the market for Shares, which may impact the market value at which other Shareholders can execute the sale of their Shares.

A significant sale of Shares by any of the Existing Shareholders following the end of the relevant Escrow Period, or the perception that such sale may occur, could adversely affect the price of Shares. Alternatively, the absence of any sale of Shares by Existing Shareholders following the end of the relevant Escrow Period may cause or contribute to a diminution in the liquidity of the market for Shares.

(e) Shareholder dilution

Tasmea might opt to offer Shares for fundraising in the future to fund future growth opportunities or under the Incentive Plans to incentives directors, senior executives and employees of the Tasmea Group. Following Completion, Tasmea intends to issue additional equity securities under the Incentive Plans to chief executive officers and key operating personnel of the Tasmea Group. Refer to Section 7.2(g) for further information. Shareholder stakes may be diluted upon the issue, or conversion of, such equity securities issued under the Incentive Plans.

If Shares are used for acquisitions or fundraising, Shareholder stakes might be diluted, potentially leading to reduced equity value. This could occur through equity-based acquisitions, raising capital through Shares, or other fundraising efforts like debt repayment. While Tasmea adheres to ASX Listing Rules on capital issuance limits within 12 months (with exceptions), Shareholders may still experience dilution due to Share issuance and fundraising activities.

(f) Future dividend payments and franking credit

Any future dividend payments are not guaranteed. The dividend strategy is outlined in Section 5.11, aiming for optimal franking of forthcoming dividends. However, the presence of ample franking credits or stability of the imputation system is uncertain. Franking credit value and availability to a Shareholder vary based on their unique tax situation. Furthermore, using franking credits for tax offset or post-year refunds hinges on each Shareholder's individual tax circumstances.

(g) Force majeure events may occur

Tasmea's financial performance, operations, and Share price can be adversely impacted by various events within or beyond the Australian markets. These encompass terrorism, conflicts, natural calamities, disease outbreaks, labour strikes, and other occurrences influencing suppliers, product demand, and business operations. Where available and cost effective, Tasmea may seek to insure against some of these risks.

(h) Unforeseen expenditure and future capital needs

Tasmea may need to incur unforeseen expenditure that has not been taken into account in the preparation of this Prospectus and subsequent expenditure that may adversely affect the cash flow position of Tasmea.

Tasmea might need to secure capital through public or private means in the future. However, obtaining financing on suitable terms or at all may be uncertain. Failing to secure funds may damage the business, impeding growth and responsiveness to competition.

(i) Expected future events and forward-looking statements

This Prospectus contains forward-looking statements, opinions, and estimates. These statements depend on various assumptions and entail risks, uncertainties, and factors that could cause actual results, performance, and accomplishments to significantly differ from what these forward-looking statements suggest. The Company's actual performance or the industry performance may deviate from expectations, potentially adversely impacting Share value. Given these uncertainties, potential investors should avoid excessive reliance on these forward-looking statements. Furthermore, it's important to note that forward-looking statements in this Prospectus should not be considered a guarantee of any particular outcome or future event by Tasma or any mentioned party.

(j) Delisting

The Company may request that it be removed from the Official List at any time. However, ASX may require that the Company provide evidence that the request for removal from the Official List is made pursuant to appropriate authorisations or that the removal occur subject to certain conditions being satisfied. ASX's decision to approve the removal of the Company from the Official List will typically be subject to certain conditions directed to ensure that the interests of Shareholders are not unduly prejudiced by the removal.

ASX also retains a general discretion to remove the Company from the Official List in various circumstances, including:

- (i) the issue of compulsory acquisition notices sent to Shareholders pursuant to the Corporations Act;
- (ii) failure to pay the Company's annual ASX listing fee within 15 business days of the due date;
- (iii) the Shares being suspended from trading for a continuous period of two years;
- (iv) the Company is unable or unwilling to comply with the ASX Listing Rules; and
- (v) for any other reason ASX deems appropriate.

The Company believes that as at the Prospectus Date, there are no circumstances which could provide grounds for the removal of the Company from the Official List in the foreseeable future. However, there can be no assurance that any such circumstances will not arise in relation to the Shares in the future.

6.3 No investment guarantee

The risk factors provided above are not intended to be an exhaustive account of the risks Tasma and its investors might face. These factors, along with others not explicitly mentioned, can significantly affect Tasma's financial performance and the Share value within the Offer. Shares offered through the Offer do not come with assurances regarding profitability, dividends, capital returns, or trading prices on the ASX. Additionally, continuous listing of Shares on the ASX is not guaranteed, potentially affecting the potential Shareholders' ability to sell their Shares.



SECTION SEVEN




**KEY PEOPLE,
INTERESTS AND BENEFITS**



7. KEY PEOPLE, INTERESTS AND BENEFITS

7.1 Board of directors and key management

The Directors bring to the Board relevant experience and skills, including industry and business knowledge, financial management and corporate governance experience. Profiles of each member of the Board and key members of management are set out in the table below.

Director/Position	Experience, qualifications and expertise
 Giuseppe (Joe) Totaro Non-Executive Director and Chair	<p>Joe is a Certified Practising Accountant with over 40 years of experience in commercial and public practice specialising in mining and mining services. Joe is a co-founder of GR Engineering Services Limited (ASX:GNG) a global mineral processing design and construction company with FY23 revenue of over \$550 million, making a key contribution to its growth, corporate management and governance as CFO and Company Secretary.</p> <p>Joe is currently a non-executive director on the board of GR Engineering.</p> <p>Joe holds a Bachelor of Commerce degree from the University of Western Australia.</p>
 Stephen Young Founder and Managing Director	<p>Stephen Young is the Founder and Managing Director of Tasma since the Company's foundation in 1999. Stephen has been instrumental in driving Tasma's strategy and growth over the past 24 years. Stephen is the executive chair of all of Tasma's subsidiaries.</p> <p>Stephen has more than 45 years' experience involving large corporate advisory, corporate recovery, business turnaround, listed public and private board and advisory engagements.</p> <p>Stephen was the Managing Partner of Arthur Andersen's Adelaide office following their merger with Allert Heard & Co (where Stephen was an equity partner) from 1989 to 1997. Stephen was a member of the Arthur Andersen Worldwide Advisory Council and held several national and international leadership positions within the firm.</p> <p>Stephen has been previously retained on a number of listed public company boards often in a "turnaround" capacity together with serving on boards of Government business enterprises, large private companies, sporting and charitable organisations.</p> <p>Stephen has a Bachelor of Economics from the University of Adelaide, is a Fellow of the Institute of Chartered Accountants and the Institute of Company Directors.</p>
 Mark Vartuli Founder and Executive Director	<p>Mark is an Executive Director and a Founder of Tasma and sits on the board of all of Tasma's subsidiaries. Together with Stephen, Mark has been instrumental in driving strategy and growth for Tasma.</p> <p>Mark has over 25 years' experience in providing commercial advice in relation to mergers and acquisitions, divestments, corporate restructures and scaling-up businesses.</p> <p>Mark is a retained adviser to a number of leading Australian private companies.</p> <p>Prior to joining Tasma, Mark held a number of roles with Arthur Andersen working in their Assurance and Business Advisory Division and Equity & Advisory, a boutique corporate advisory firm.</p> <p>Mark holds a Masters in Commerce from the University of South Australia, a Bachelor in Commerce from the University of Adelaide and is a Fellow of the Institute of Chartered Accountants.</p>

7. KEY PEOPLE, INTERESTS AND BENEFITS

Director/Position

Experience, qualifications and expertise



Jason Pryde
Chief Operating Officer
and Executive Director

Jason is the Chief Operating Officer of Tasma and was appointed to the Board in September 2021.

Jason is also the founder and current chief executive officer of Tasman Power WA Pty Ltd and Tasman Rope Access Pty Ltd, two of Tasma's largest Western Australian subsidiaries.

Jason has been directly involved in the scaling up of Tasma's West Australian businesses and has successfully identified and embedded new subsidiaries into the Tasma Group.

Since establishing Tasman Power in 2007, Jason has established an impressive reputation across the Western Australian mining regions and has undertaken a number of directorships in private companies specialising in operational excellence and business sustainability.

Jason is a trade qualified electrician.



Michael Terlet AO
Independent
Non-Executive Director

Michael joined the Tasma Board in October 2007 as an Independent Non-Executive Director and held the role of the Independent Chair between 1 July 2018 and 21 September 2023.

Michael has held a range of senior positions within the defence industry and was principally responsible for the formation and growth of Australia's largest private sector defence and aerospace company, AWA Defence Industries, from 1978 to 1992. In 1991, he was recognised and made an officer of the General Order of Australia for contributions to industry and export.

Michael has over 40 years' experience in executive leadership and public and private board engagements including previous roles with ASX listed entities including SDS Corporation Ltd, Scantech Limited and International Wine Investment Fund.

Michael has also served as Chair of United Water International Pty Ltd, Workcover, SA Centre for Manufacturing, Defence Manufacturing Council SA, South Australian Small Business Advisory Council, and International Centre of Excellence in Water Resources Management. Michael also held the position of President of the South Australian Employers Chamber of Commerce and Industry, the Engineering Employers Association and a director of Statewide Super.

Michael recently retired as the Chair of Diversa Trustees Limited, Responsible Entity Partners and CCSL Limited.

Michael is a Fellow of the Australian Institute of Company Directors, and a Fellow of the Australian Institute of Managers and Leaders.




Kristie Young
Independent
Non-Executive Director

Kristie has over 25 years' experience in industry with a focus on the resources sector. Technical mining engineer with strong experience across business development (BD) & growth including BD Director roles with both EY & PwC. Over 15 years' experience on boards and committees (ASX & NFP).

Kristie is currently a Non-Executive Director of Brazilian Rare Earths Ltd (ASX:BRE), Lithium Australia Ltd (ASX:LIT), Corazon Mining Ltd (ASX:CZN), and MinEx CRC. She is a well-respected member of the resources and business community with strong connections across industry, academia, government, not for profits, consultants and service providers.

Kristie holds a Bachelor of Engineering (Mining) Hons from the University of Queensland, Post Graduate Diploma of Education (Maths, IT) from the University of Western Australia, Cert IV Human Resources from the Australian HR Institute, is a Graduate and Member of the Australian Institute of Company Directors and a Fellow of the AusIMM.

Director/Position	Experience, qualifications and expertise
 <p data-bbox="162 577 427 672">Simone Thompson Chief Financial Officer and Company Secretary</p>	<p data-bbox="466 250 1396 309">Simone is Tasmea’s Chief Financial Officer and Company Secretary, joining the Company in 2020.</p> <p data-bbox="466 331 1423 389">Prior to joining Tasmea, Simone spent 18 years in assurance and business advisory services for Big 4 accounting firms EY and KPMG.</p> <p data-bbox="466 412 1423 470">Simone is a Chartered Accountant and holds a Bachelor of Commerce and Bachelor of Law from the Flinders University of South Australia</p>

7.2 Interests and benefits

This Section 7.2 sets out the nature and extend of the interests and fees of certain persons involved in the Offer.

Except as set out below or elsewhere in this Prospectus, no Director (whether individually or in consequence of that person’s association with any company or firm or in any material contract entered into by Tasmea) has now, or has had, in the two-year period ending on the Prospectus Date, any interest in:

- the formation or promotion of the Company; or
- any property acquired or proposed to be acquired by the Company in connection with the Company’s formation or promotion, or the Offer; or
- the Offer.

In addition, except as set out below or elsewhere in this Prospectus, no benefits of any kind (whether in cash, Shares or otherwise) have been paid or agreed to be paid to any Director, to any company or firm with which a Director is associated to induce him or her to become, or to qualify as, a Director, or otherwise for services provided by the Director, or his or her company or firm with which the Director is associated, in connection with the formation or the promotion of the Company, or the Offer.

(a) Director appointment letters

Prior to the Prospectus Date, each of the Non-Executive Directors entered into an appointment letter with the Company, confirming the terms of their appointments, their roles and responsibilities and the Company’s expectations of them as Directors.

(b) Non executive director remuneration

Under the Constitution and the ASX Listing Rules, the total amount of fees paid to all Non-Executive Directors in any financial year must not exceed the aggregate amount of Non-Executive Directors’ fees approved by Shareholders at the Company’s general meeting. This amount has been fixed by the Company’s Shareholders at \$750,000 per annum.

This amount excludes, among other things, amounts payable to any executive Director under any executive services agreement with the Group or any special remuneration which the Board may grant to the Directors for special exertions or additional services performed by a Director for or at the request of the Company, as well as any securities issued to Directors (or which are intended to be issued to Directors) as disclosed in this Prospectus, or which are issued to a Non-Executive Director under ASX Listing Rule 10.11 or 10.14 with the approval of Shareholders.

As at the Prospectus Date, the annual Non-Executive Directors base fee agreed to be paid by the Company to:

- (i) the Chair is \$200,000 per annum; and
- (ii) each of the other Non-Executive Directors is \$100,000 per annum.

In subsequent years, these fees may vary. All Non-Executive Directors’ fees are inclusive of statutory superannuation contributions. No Directors will be entitled to receive additional fees for their respective appointments to any committees of the Board.

7. KEY PEOPLE, INTERESTS AND BENEFITS

(c) Deeds of access, insurance and indemnity

The Company has entered into a deed of access, insurance and indemnity with each Director. Each deed contains the Director's right of access to certain books and records of the Company or Group Company for the period from the date of the deed until seven years after the Director ceases to hold office of the Company or Group Company.

This seven year period can be extended where certain proceedings or investigations commence before the seven year period expires.

Pursuant to the Constitution, the Company may indemnify all Directors, executive officers, other officers and employees, past and present, against all liabilities incurred as an officer of the Company or Group Company to the extent permitted by law. Under the deed of access, insurance and indemnity, the Company must indemnify each Director against any liability that may arise from their position as an officer of the Company or Group Company, to the extent permitted by law. The deed provides that the Company must meet the full amount of any such liabilities, including legal costs that are reasonably incurred, charges and expenses.

Pursuant to the Constitution, the Company may arrange and maintain directors and officers' insurance for its Directors to the extent permitted by law. Under the deed of access, insurance and indemnity, the Company must use best endeavours to maintain such insurance with a reputable insurer for the period from the date of the deed until seven years after the Director ceases to hold office of the Company or Group Company. This seven year period can be extended where certain proceedings or investigations commence before the seven year period expires.

In this summary, 'Group Company' means the Company, a subsidiary of the Company, any companies which are 50% or more owned directly or indirectly by any other Group Company, or any partnership or unincorporated joint venture in which any Group Company or a Related Body Corporate of the Company has an interest of 50% or more.

(d) Directors' interests in Shares and other securities

The Directors are not required by the Constitution to hold any Shares.

As at the Prospectus Date, the Company was owned by Directors, Stephen Young and controlled entities (47%), Mark Vartuli and controlled entities (21%), Jason Pryde and controlled entities (2%), and approximately 30% by a number of other parties including Tasma's senior executives, employees and non-associated Shareholders. Refer to the capital structure in Section 4.5 for further details.

The Directors' interests in Shares and other securities in the Company as at the Prospectus Date and as at Completion (on a fully diluted basis) are set out in the table below:

Director	As at the Prospectus Date		At Completion		
	Shares	% of Total Issued Shares	Shares ⁵	% of Total Issued Shares	Subject to Escrow
Stephen Young ¹	92,096,773	46.84%	90,414,306 to 92,096,773 ⁶	41.52% to 42.29% ⁶	90,414,306 to 92,096,773 ⁶
Mark Vartuli ²	40,762,567	20.73%	40,017,897 to 40,762,567 ⁶	18.38% to 18.72% ⁶	40,017,897 to 40,762,567 ⁶
Jason Pryde ³	3,919,001	1.99%	4,143,360	1.90%	4,143,360
Joe Totaro	Nil	Nil	500,000	0.23%	500,000
Michael Terlet AO ⁴	911,558	0.46%	546,935	0.25%	546,935
Kristie Young	Nil	Nil	12,821	0.01%	12,821

Notes:

- Includes Shares held by Stephen Young and his controlled entities.
- Includes Shares held by Mark Vartuli and his controlled entities.
- Includes Shares held by Jason Pryde and his controlled entities.
- Includes Shares held by Michael Terlet AO and his controlled entities.
- Based on maximum sell down percentages as indicated by Directors as follows:
 - Stephen Young will not participate in the Sale Offer.
 - Mark Vartuli will not participate in the Sale Offer.
 - Jason Pryde will not participate in the Sale Offer, but intends to apply for New Shares under the Offer. Following Completion, and subject to Shareholder approval, the Company intends to issue up to 3,000,000 Pryde Options to Mr Pryde. Refer to Section 7.2(g) for further information.
 - Michael Terlet AO participating in the Sale Offer of 40% of his existing Shares.
 - Joe Totaro will not participate in the Sale Offer but intends to apply for New Shares under the Offer.
 - Kristie Young will not participate in the Sale Offer but intends to apply for New Shares under the Offer.
- The number of Shares held by Messrs Stephen Young and Mark Vartuli (and their respective controlled entities), and other Existing Shareholders will depend on participation by Existing Shareholders in the Sale Offer and whether Messrs Stephen Young and Mark Vartuli are required to participate in the Sale Offer. Refer to Section 8.5 for further information.

The Directors (and their associated entities) are entitled to apply for Shares under the Offer. However, other than Jason Pryde, Joe Totaro and Kristie Young, the Directors have elected not to participate in the Offer with the view to provide new investors the opportunity to become part of Tasma's future.

Nothing in this Prospectus will be taken to preclude the Directors (or their associated entities), officers, employees or advisers of Tasma from applying for Shares on the same terms and conditions as offered pursuant to this Prospectus.

Final shareholding held directly or indirectly by the Directors (and their associated entities) will be notified to the ASX following Listing. The Shares recorded in the above table as held by the Directors will be subject to voluntary escrow arrangements as outlined in Sections 4.14 and 8.6.

(e) Other information

Directors may also be reimbursed travel and other expenses incurred in attending to company affairs, including attending and returning from general meetings or meetings of the Board or committees of the Board. A Director who performs additional or special duties for the Company at the request of the Board may be paid such additional or special remuneration (as determined by the Board).

In addition to statutory superannuation contributions, Directors may be entitled to discretionary retirement benefits as approved by Shareholders.

(f) Executive remuneration

The key management personnel of the Company are Stephen Young (Managing Director), Mark Vartuli (Executive Director), Jason Pryde (Executive Director and COO) and Simone Thompson (CFO and Company Secretary). Their employment arrangements are set out below.

(i) Stephen Young, Managing Director

Term	Description
Employer	Tasma Corporate Services Limited
Fixed annual remuneration	\$851,605 inclusive of superannuation car expenses and car park allowance.
Short term incentive	Mr Young is eligible to receive an annual cash-based short term incentive of up to \$300,000 per annum payable quarterly. Payment will depend on the Company's performance and Mr Young achieving certain key performance indicators as determined by the Board.
Long term incentive	Nil – As Mr Young is a major Shareholder in Tasma, Mr Young is incentivised through the performance of the Company over the longer term.
Notice period, termination and termination payments	Mr Young or Tasma Corporate Services Limited may terminate the agreement on 12 months' notice or, Tasma Corporate Services' case, payment in lieu of notice. Tasma Corporate Services may also terminate the agreement with notice or payment in lieu of notice if Mr Young engages in serious misconduct.
Non-solicitation/restrictions of future activities	Mr Young's employment contract includes a restraint of trade period of 12 months following termination. Mr Young's employment contract also includes a non-solicitation of the Tasma Group's customers, suppliers and employees for a period of 12 months following termination.

7. KEY PEOPLE, INTERESTS AND BENEFITS

(ii) Mark Vartuli, Executive Director

Term	Description
Employer	Tasmea Corporate Services Limited
Fixed annual remuneration	\$851,605 inclusive of superannuation and car park allowance.
Short term incentive	Mr Vartuli is eligible to receive an annual cash-based short term incentive of up to \$300,000 per annum payable quarterly.
Long term incentive	Nil – As Mr Vartuli is a major Shareholder in Tasmea, Mr Vartuli is incentivised through the performance of the Company over the longer term.
Notice period, termination and termination payments	Mr Vartuli or Tasmea Corporate Services Limited may terminate the agreement on 6 months' notice or, Tasmea Corporate Services Limited's case, payment in lieu of notice. Tasmea Corporate Services Limited may also terminate the agreement with notice or payment in lieu of notice if Mr Vartuli engages in serious misconduct.
Non-solicitation/restrictions of future activities	Mr Vartuli's employment contract includes a restraint of trade period of 6 months following termination. Mr Vartuli's employment contract also includes a non-solicitation of the Tasmea Group's customers, suppliers and employees for a period of 6 months following termination.

(iii) Jason Pryde, Executive Director and Chief Operating Officer

Term	Description
Employer	Tasman Power WA Pty Ltd
Fixed annual remuneration	\$555,000 inclusive of superannuation.
Short term incentive	Mr Pryde is eligible to receive a bonus payment for each month based on certain outperformance metrics.
Long term incentive	Following Completion and subject to Shareholder approval, Tasmea has agreed to issue up to 3,000,000 Pryde Options to Mr Pryde under the Option Plan. Refer to Section 7.2(g) for further details.
Notice period, termination and termination payments	Mr Pryde or Tasman Power WA Pty Ltd may terminate the agreement on 9 months' notice or, Tasman Power WA Pty Ltd's case, payment in lieu of notice. Tasman Power WA Pty Ltd may also terminate the agreement with notice or payment in lieu of notice if Mr Pryde engages in serious misconduct.
Non-solicitation/restrictions of future activities	Mr Pryde's employment contract includes a cascading restraint of trade by geography and non-solicitation undertaking of the Tasmea Group's customers, suppliers and employees of up to 24 months following termination.

(iv) Simone Thompson, Chief Financial Officer and Company Secretary

Term	Description
Employer	Tasman Corporate Services Limited
Fixed annual remuneration	\$291,720 inclusive of superannuation.
Short term incentive	<p>Ms Thompson is eligible to receive an annual cash-based short term incentive of up to 10% of total remuneration per annum. The short term incentive runs over a financial year and is to be paid as 1% for the quarter ended 30 September, 2% for the quarter ended 31 December, 3% for the quarter ended 31 March and 4% for the quarter ended 30 June paid in September. The bonus is paid quarterly in arrears.</p> <p>Payment will depend on the Company's performance and Ms Thompson achieving certain key performance indicators as determined by the Board.</p>
Long term incentive	Nil.
Notice period, termination and termination payments	<p>Ms Thompson or Tasman Corporate Services Limited may terminate the agreement on 3 months' notice or, Tasman Corporate Services Limited's case, payment in lieu of notice.</p> <p>Tasman Corporate Services Limited may also terminate the agreement with notice or payment in lieu of notice if Ms Thompson engages in serious misconduct.</p>
Non-solicitation/restrictions of future activities	Ms Thompson's employment contract includes a cascading restraint of trade by geography and non-solicitation undertaking of the Tasma Group's customers, suppliers and employees of up to 24 months following termination.

(g) Equity-based remuneration arrangements

Following Completion, the Company intends to seek Shareholder approval at the Company's next annual general meeting to implement the following employee incentive plans:

- (i) employee share plan for the issue of bonus Shares;
- (ii) bonus salary sacrifice plan for the receipt of an eligible participant's bonus by way of Shares;
- (iii) long-term incentive plan for the issue of long-term equity securities to eligible participants (**LTI Plan**); and
- (iv) option plan for the issue of options to eligible participants (**Option Plan**),

(together, the **Incentive Plans**) to reward eligible chief executive officers, senior management and employees of the Tasma Group. Managing Director, Stephen Young and Executive Director Mark Vartuli will not participate in the Incentive Plans. Further details of the above-mentioned Incentive Plans will be provided in the notice of meeting seeking Shareholder approval for the adoption of the Incentive Plans.

Following Completion, the Company intends to reward chief executive officers and key operating personnel of the Tasma Group by issuing performance rights under the LTI Plan (**Performance Rights**).

The Performance Rights issued under the LTI Plan will be subject to the following three hurdles:

- (i) Hurdle 1: Tasma must achieve an EBIT of greater than \$110 million by FY28;
- (ii) Hurdle 2: The relevant Group Company that employs the recipient of the Performance Rights must achieve its FY28 target, which has been mutually agreed with its chief executive officer and their direct reports as a minimum of 15% EBIT CAGR from the FY24 budget; and
- (iii) Hurdle 3: The recipient of the Performance Rights must remain a member of the executive group as at October 2028, (together, the **Hurdles**).

If the Hurdles are satisfied, the Performance Rights will convert into such number of Shares equal to 110% of the FY25 salary (before any short term incentive bonus, if applicable) based on the 90 day volume weighted average price prior to the issue date of the Performance Rights, subject to a floor price at the Offer Price. The issue of Performance Rights will be capped at 10% of the cumulative subsidiary EBIT between FY25 to FY27.

7. KEY PEOPLE, INTERESTS AND BENEFITS

Following Completion and subject to Shareholder approval, the Company intends to issue three million options in three equal tranches to Director, Mr Jason Pryde, subject to the following vesting conditions (**Pryde Options**) under the Option Plan:

- (i) Tranche 1 is exercisable at the Offer Price, upon Tasmaea achieving A\$110 million EBIT and Tasman Power delivering 15% CAGR growth in EBIT contribution to the Tasmaea consolidated A\$110 million EBIT and Mr Pryde remaining an employee at the time;
- (ii) Tranche 2 is exercisable at the Offer Price, upon Tasmaea achieving A\$135 million EBIT and Tasman Power delivering its agreed EBIT contribution to the A\$135 million EBIT and Mr Pryde remaining an employee at the time; and
- (iii) Tranche 3 is exercisable at the Offer Price, upon Tasmaea achieving A\$160 million EBIT and Tasman Power delivering its agreed EBIT contribution to the A\$160 million EBIT and Mr Pryde remaining an employee at the time.

The Pryde Options will expire 5 years from the date of issue. Further details of the terms and conditions of the Pryde Options will be contained in the notice of meeting seeking Shareholder approval for the issue of the Pryde Options to Mr Pryde.

(h) Dividend Reinvestment Plan

The Company has established a dividend reinvestment plan (**DRP**) which allows Shareholders to acquire additional Shares by reinvesting dividends paid to that Shareholder. At the time of declaring a dividend and on a case-by-case basis, the Company will determine whether the **DRP** will apply to such dividend.

The key features of the **DRP** are outlined below:

Term	Description
Eligible Participants	<p>All Shareholders with a registered address in Australia or New Zealand are eligible to participate in the DRP.</p> <p>Eligible DRP participants should complete a DRP application form, which can be obtained from the Share Registry.</p> <p>Eligible DRP participants may participate in the DRP at any time and participation will commence with the first dividend paid after receipt of a valid DRP application form.</p> <p>Shareholders may elect to participate in the DRP in full or in part.</p>
Optional Participation	Participation in the DRP is optional.
Securities	<p>Shares allotted or transferred to an eligible DRP participant will rank equally in all respect with the Company's existing Shares on issue.</p> <p>The number of Shares to be allotted or transferred to each eligible DRP participant depends on the value of the dividend declared. The number of Shares will be the value of the dividend entitlement divided by the issue price, rounded up to the nearest whole number of Shares.</p>
Issue Price	Shares allotted to participants will be allotted at a price per Share determined in accordance with the Corporations Act and the ASX Listing Rules equal to the volume weighted average market price of Shares sold on the ASX over a particular period as determined by the Board from time to time, less any discount determined by the Directors (at their discretion).
Discount	<p>The Board will determine whether a discount will be applied to the DRP when resolving whether to issue a dividend.</p> <p>The Company will advise Shareholders with each dividend (through an announcement on the ASX platform) whether a discount to the market price will apply.</p>
Costs	No brokerage or other transaction/administration costs are payable by Shareholders on Shares allotted under the DRP at this time.
Variation or Withdrawal from DRP	Shareholders may vary their level of participation or withdraw from the DRP at any time by completing a DRP form and forwarding it to the Share Registry.
Quotation	The Company will make an application promptly after each allotment of Shares for quotation of such Shares on the Official List.

7.3 Corporate governance

The Company has adopted comprehensive systems of control and accountability as the basis for the administration of corporate governance. The Board is committed to administering the Company's policies and procedures with openness and integrity, pursuing the true spirit of corporate governance commensurate with the Company's needs. In light of the Company's size and nature, the Board considers that the current Board composition and structure is a cost effective and practical method of directing and managing the Company.

The Company has adopted corporate governance policies and practices consistent with the ASX Corporate Governance Council's Principles of Good Corporate Governance and Best Practice Recommendations (ASX Principles and Recommendations 4th Edition) (**ASX Recommendations**) where considered appropriate for the Company's size and nature.

The Company's main corporate governance policies and practices as at the date of this Prospectus are detailed in the corporate governance section of the Company's website at <https://tasmea.com.au/sitemap/corporate-governance/>.

(a) The Board of Directors

The name and biographical details of the current members of the Board of Directors are contained in Section 7.1.

Each Director has confirmed to the Company that he or she anticipates being available to perform his or her duties as a Non-Executive Director or Executive Director without constraint having regard to their other commitments.

The Board Charter adopted by the Board described the responsibilities of the Board, which are broadly summarised in Sections 7.3(a) to 7.3(k) below. The Board Charter outlines, amongst other matters:

- (i) the size and structure of the Board to ensure that its composition comprises of Directors with a broad range of skills, expertise and experiences from a diverse range of backgrounds which are relevant to the Company's business;
- (ii) guidelines for determining the independence of Directors;
- (iii) procedures and protocols for managing any potential conflicts of interest and related party transactions;
- (iv) the powers and responsibilities of the Board and its ability to delegate its powers to others;
- (v) the establishment of committees and policies, such as the establishment of the Remuneration and Nomination Committee, the Audit and Risk Committee and the policies outlined in Section 7.3(g) and 7.3(h); and
- (vi) the role of the Chair, Chief Executive Officer and Company Secretary,

all while the Board remaining ultimately accountable to Shareholders of the Company.

The Board is responsible for corporate governance of the Company. The Board develops strategies for the Company, reviews strategic objectives and monitors performance against those objectives. The goals of the corporate governance processes are to:

- (i) maintain and increase Shareholder value;
- (ii) ensure a prudential and ethical basis for the Company's conduct and activities; and
- (iii) ensure compliance with the Company's legal and regulatory objectives.

Consistent with these goals, the Board assumes the following responsibilities:

- (i) developing initiatives for asset growth;
- (ii) reviewing the corporate, commercial and financial performance of the Company on a regular basis;
- (iii) acting on behalf of, and being accountable to, Shareholders; and
- (iv) identifying business risks and implementing actions to manage those risks and corporate systems to assure quality.

The Company is committed to the circulation of relevant materials to Directors in a timely manner to facilitate Directors' participation in Board discussions on a fully-informed basis.

(b) Composition of the Board

Election of Board members is substantially the province of the Shareholders in general meeting.

On Completion, the Board will comprise of three executive Directors and three non-executive Directors (all of whom are considered independent). The Chair of the Board will be an independent non-executive Director.

7. KEY PEOPLE, INTERESTS AND BENEFITS

(c) Independence of the Board

The Board is responsible for the overall governance of the Company. Issues of substance affecting the Company are considered by the Board, with advice from external advisers as required. Each Director must bring an independent view and judgment to the Board and must declare all actual or potential conflicts of interest on an ongoing basis. Any issue concerning a Director's ability to properly act as a Director must be discussed at a Board meeting as soon as practicable, and a Director may not participate in discussions or resolutions pertaining to any matter in which the Director has a material personal interest.

The Board considers an independent Director to be a non-executive Director who is not a member of management and who is free of any business or other relationship that could materially interfere with or reasonably be perceived to interfere with the independent and unfettered exercise of their judgement. The Board has adopted a definition of independence that is based on the definitions in the ASX Recommendations. The Board will consider the materiality of any given relationship on a case-by-case basis. The Board assesses independence of Directors upon appointment and annually through attestation from each Director.

The Board considers that Joe Totaro, Michael Terlet AO and Kristie Young are free from any interest, position, association or relationship that may influence or reasonably be perceived to influence, the independent exercise of the Director's judgement and that each of them is able to fulfil the role of independent Director for the purpose of the ASX Recommendations.

Each of Stephen Young, Mark Vartuli and Jason Pryde do not satisfy the tests of independence as detailed in the ASX Recommendations.

Tasmea does not consider Stephen Young and Mark Vartuli to be independent because they are each a significant Shareholder of Tasmea (either directly or through controlled entities). Tasmea does not consider Jason Pryde to be independent because Tasmea employs him as an Executive Director and Chief Operating Officer.

Accordingly, there will be three independent Directors at the time of Admission. The Board considers that each of the independent non-executive Directors brings an objective and independent judgement to the Board's deliberations and that each of the independent non-executive Directors makes a valuable contribution to the Company through the skills they bring to the Board and their understanding of the Company's business.

(d) Roles and responsibilities of the Board

The Board's primary responsibilities include offering strategic direction to Tasmea, ensuring effective management oversight, and establishing a strong foundation for cultivating a culture of good corporate governance within Tasmea.

The Board will always maintain ultimate authority over Tasmea's management and staff.

In fulfilling its role, the Board should consistently:

- (i) adhere to its duty to act honestly, fairly and in adherence with the law, serving the interest of the Company, its Shareholders, employees, customers, and the community;
- (ii) operate in a manner aimed at generating and continuing sustainable value for Shareholders;
- (iii) adhere to the responsibilities and commitments set out by the Company's Constitution and applicable law; and
- (iv) demonstrate integrity and impartiality, aligning with the ethical, professional, and other benchmarks outlined in the Company's corporate governance policies.

In support of Tasmea's responsibilities, the Board has established an Audit and Risk Committee.

In addition to matters it is expressly required by law to approve, the responsibilities of the Board include:

- (i) appointing and overseeing senior leadership, setting terms and remuneration;
- (ii) guiding strategic direction, resource allocation, and management performance;
- (iii) monitoring risk management, compliance, financial reporting, and ethics;
- (iv) approving major financial decisions, structural changes, and securities issuance; and
- (v) ensuring governance, regulatory compliance, and auditor appointments.

(e) Ethical standards

The Board is committed to the establishment and maintenance of appropriate ethical standards.

(f) Independent professional advice

Subject to the Chair's approval (not to be unreasonably withheld), the Directors, at the Company's expense, may obtain independent professional advice on issues arising in the course of their duties.

(g) Remuneration and Nomination Committee

Purpose

The Remuneration and Nomination Committee's primary role involves assisting the Board in meeting its corporate governance obligations with respect to:

- (i) committee composition;
- (ii) recruitment, appointment, and re-election of Directors;
- (iii) remuneration policies for Directors;
- (iv) succession plans;
- (v) employee incentive plans;
- (vi) Director competencies, independence, and prospects; and
- (vii) other matters referred to the committee by the Board.

In addition, the Committee is tasked with executing the functions attributed the Remuneration Committee and the Nomination Committee as outlined in the ASX Recommendations.

Composition

The Remuneration and Nomination Committee comprises Michael Terlet AO (independent Non-Executive Director) as chairperson, Kristie Young (independent Non-Executive Director), and Stephen Young (Executive Director). In compliance with the ASX Recommendations, the Remuneration and Nomination Committee comprises of three or more Directors, a majority of whom are considered independent.

(h) Audit and Risk Committee

Purpose

The Audit and Risk Committee's primary role involves assisting the Board in meeting its corporate governance obligations with respect to:

- (i) promoting a risk management culture;
- (ii) financial reporting, internal control system, and audit responsibilities;
- (iii) monitoring legal compliance and adherence to the Company's Code of Conduct;
- (iv) adopting and implementing ethical standards for Company management and operations; and
- (v) evaluating the sufficiency of the Company's insurance policies.

In addition, the Committee is tasked with executing the functions attributed the Audit and Risk Committee as outlined in the ASX Recommendations.

Composition

The Audit and Risk Committee comprises Michael Terlet AO (independent Non-Executive Director) as chairperson, Joe Totaro (independent Non-Executive Director) and Stephen Young (Executive Director). In compliance with the ASX Recommendations, the Audit and Risk Committee comprises of three or more Directors, a majority of whom are considered independent.

(i) External audit

The Company in general meetings is responsible for the appointment of the external auditors of the Company, and the Board from time to time will review the scope, performance and fees of those external auditors following the recommendation from the Audit and Risk Committee.

7. KEY PEOPLE, INTERESTS AND BENEFITS

(j) Internal audit

The Company does not have an internal audit function. The Board considers the Audit and Risk Committee and financial control function in conjunction with its risk management policy is sufficient for a Company of its size and complexity.

(k) Board processes

The Board processes will be governed by the Constitution.

7.4 Corporate governance policies

The Company has adopted the following policies, each of which has been prepared having regard to the ASX Recommendations and is available on the Company's website at <https://tasmea.com.au/sitemap/corporate-governance/>.

- (a) Code of Conduct – The purpose of this policy is to provide a framework for decisions and actions in relation to ethical conduct in employment. It underpins the Company's commitment to integrity and fair dealing in its business affairs and to a duty of care to all employees, customers and stakeholders. This policy details the standards of ethical behaviour that the Company expects from its Directors, officers and employees.
- (b) Audit and Risk Committee – The Company has an Audit and Risk Committee which operates under an Audit and Risk Committee Charter. The primary purpose and composition of the Audit and Risk Committee is set out above.
- (c) Remuneration and Nomination Committee – The Company has a Remuneration and Nomination Committee which operates under a Remuneration and Nomination Committee Charter. The primary purpose and composition of the Remuneration and Nomination Committee is set out above.
- (d) Continuous Disclosure Policy – Once listed on the ASX, the Company will need to comply with the continuous disclosure requirements of the Listing Rules and the Corporations Act to ensure the Company discloses to the ASX any information concerning the Company which is not generally available and which a reasonable person would expect to have a material effect on the price or value of Shares. As such, this policy sets out certain procedures and measures which are designed to ensure that the Company complies with its continuous disclosure obligations.
- (e) Risk Management Policy – This policy is designed to assist the Company to identify, assess, monitor and manage risks affecting the Company's business. The Board's collective experience will assist in the identification of the principal risks that may affect the Company's business. Key operational risks and their management will be recurring items for deliberation at Board meetings.
- (f) Securities Trading Policy – The Board has adopted a policy that sets out the guidelines on the sale and purchase of securities in the Company by its officers and key management personnel (i.e. Directors and, if applicable, any employees reporting directly to the Executive Directors). The policy generally provides that the written acknowledgement of the Chair (or the Board in the case of the Chair) must be obtained prior to trading in Company securities.
- (g) Shareholder Communications Policy – This policy details the practices which the Company will implement to ensure effective communication with its Shareholders.
- (h) Diversity Policy – The Board values diversity and authorised the benefits it can bring to the organisation's ability to achieve its goals. Accordingly, the Company has set in place a diversity policy. This policy outlines the Company's diversity objectives in relation to gender, age, cultural background and ethnicity. It includes requirements for the Board to establish measurable objectives for achieving diversity, and for the Board to assess annually both the objectives, and the Company's progress in achieving them.
- (i) Whistleblower Policy – This policy details the practices which the Company will implement to ensure any malpractice, impropriety, statutory non-compliance or wrongdoing is appropriately reported without fear of adverse consequences.
- (j) Anti-Bribery and Anti-Corruption Policy – This policy details the Company's zero tolerance approach to bribery and corruption and its commitment to acting professionally, fairly and with integrity in all its business dealings and relationships and upholding all laws relevant to countering bribery and corruption in all jurisdictions in which the Company operates.
- (k) Environment, Social and Governance Policy – This policy details the Company's commitment to operating ethically, sustainably, and in accordance with best environmental, social and governance (ESG) practices. The Company is committed to:
 - (i) acting ethically and responsibly across every aspect of its business;
 - (ii) integrating sustainable development and ESG considerations within the Company's strategy and decision-making processes to deliver positive and sustainable outcomes; and
 - (iii) identifying, assessing and mitigating ESG risks.

7.5 Departures from ASX Recommendations

The ASX Recommendations are not prescriptions but guidelines. However, under the Listing Rules, the Company will be required to provide a statement in its annual report disclosing the extent to which it has followed the ASX Recommendations in the reporting period. Where the Company does not follow a recommendation, it must identify the recommendations that it has not followed and provide reasons for not following it.

The Company's departures from the fourth edition of the ASX Recommendations are detailed in the following table, which the Board considers reasonable given the current stage of development of the Company and its business. Otherwise, the Company will comply with the ASX Recommendations as at the date of Admission, as applicable to the Company.

Corporate Governance Principles and Recommendations	Comply (Yes/No)	Explanation for Departure
Recommendation 1.5		
Measurable objectives for achieving gender diversity have been established and disclosed.	No	<p>The Board has not yet set measurable gender diversity objectives given the current size and stage of operations. The Company is currently seeking admission to the Official List. As the Company grows, it will seek to develop a reporting framework to report the Company's progress against gender diversity objectives.</p> <p>The respective proportions of persons by gender on the Board, in senior executive positions and across the whole organisation (including how the entity has defined "senior executive" for these purposes) will be disclosed annually in the Company's Annual Report. As at the date of Admission, five Directors are male, one Director is female and the four executive roles comprise of three males and one female.</p>
Recommendation 2.4		
A majority of the board of a listed entity should be independent directors.	No	<p>On Admission, the Board will be comprised of six Directors, three of which are independent Non-Executive Directors and three of whom are not considered independent.</p> <p>The Board considers that due to the mix of skills on the Board and the nature of the operations of the Tasma Group that having an equal split of the Directors which are considered independent and not independent does not impede the ability of the Board to ensure that the decisions are made in the best interests of the Company.</p> <p>Furthermore, the Company has resolved that in the event of a split Board decision, the Independent Chair will have the casting vote.</p>

7.6 Related party arrangements

Other than as disclosed below or elsewhere in this Prospectus, the Company is not party to any material related party arrangements.

(a) Related party property transfer

The Company's wholly owned subsidiary, Tasma Properties Pty Ltd (**Tasma Properties**), is the legal owner of undeveloped residential land located at Lot 158 Brill Lane, Madigan Estate, Karratha WA 6714 (**Brill Lane Property**).

The Company has resolved to focus on acquiring skilled trade services businesses and wherever possible occupies lower yielding real estate assets by way of lease rather than freehold investment. It is proposed to build a 47-room village on the Brill Lane Property. This village once completed will be leased back to a number of the Company's subsidiaries, who will in turn offer local employees to their customers rather than fly in fly out employees.

The Company obtained Shareholder approval at its general meeting held on 4 September 2023 to divest the Brill Lane Property to the Brill Lane Village Trust (which is an entity associated with certain Directors) for the consideration of \$825,000.

7. KEY PEOPLE, INTERESTS AND BENEFITS

The unitholders in The Brill Lane Village Trust as well as their respective allocations of the consideration from the sale of the Brill Lane Property are detailed in the table below:

Unitholder	% Interest in the Brill Lane Village Trust	Allocation of consideration
Mr Stephen Young, Managing Director of the Company (and/or his nominee(s))	50%	\$412,500
Mr Mark Vartuli, Director of the Company, (and/or his nominee(s))	20%	\$165,000
Mr Jason Pryde, Director of the Company, (and/or his nominee(s))	20%	\$165,000
Mr Troy Cutfield, employee of the Company, (and/or his nominee(s)).		
Mr Troy Cutfield is an employee of the Company directly responsible for the Company's growth in the Karratha region	10%	\$82,500
TOTAL	100%	\$825,000

The divestment of the Brill Lane Property is scheduled to complete in June 2024.

Refer to Section 8.7(c)(iv) for further details of the terms and conditions of the Company's divestment of the Brill Lane Property.

(b) Related party leases

Tasmea's subsidiaries operate part of their business from premises leased from related parties. Please see Section 8.7(c)(iii) which contains a summary of the material terms of the core related party leases. The aggregate annual rent payable under the related party leases in FY23 was approximately \$1,367,941.

Set out below are the locations and Tasmea subsidiaries which are lessees to related party landlords.

Location	Lessee	Lessor
75 Verde Drive, Jandakot, WA 6164	Tasman Power WA Pty Ltd ACN 125 419 570	Pryde Corporation Pty Ltd ACN 611 278 258 as trustee for the Pryde Trust and Mark McDonnell Holdings Pty Ltd ACN 611 278 249 as trustee for the Mark McDonnell Trust ¹
24 Kaurna Avenue, Edinburgh, SA 5111	Fabtech Australia Pty Ltd ACN 060 001 765 Heavymech Pty. Ltd. ACN 007 682 144 Quarry & Mining Manufacture Pty Ltd ACN 095 231 299 A. Noble & Son Limited ACN 007 513 395	Regent Street Properties Pty Ltd ACN 086 388 043 as trustee for Regent Street Properties Unit Trust ²
717 Grand Junction Road, Northfield, SA 5065	Heavymech Pty. Ltd. ACN 007 682 144	Regent Street Properties Pty Ltd ACN 086 388 043 ²
164 Duchess Road, Mount Isa, QLD	Heavymech Pty. Ltd. ACN 007 682 144	Regent Street Properties Pty Ltd ACN 086 388 043 as trustee for Regent Street Properties Unit Trust ²

Notes:

1. Pryde Corporation Pty Ltd ACN 611 278 258 as trustee for the Pryde Trust is an entity associated with Jason Pryde, a Director.
2. Regent Street Properties Pty Ltd ACN 086 388 043 is an entity associated with Stephen Young and Mark Vartuli, both of whom are Directors.

If the related party leases are terminated by either party, the risk to the Company is that it will need to find suitable alternative premises for its operations.

The Company did not obtain Shareholder approval for the related party leases on the basis that the Board (excluding the director associated with the relevant related party lease) determined that the relevant related party leases are on arm's length terms.

(c) Shared Services Agreement

The Company's wholly owned subsidiary, Tasma Corporate Services Limited, has entered into a shared services agreement with Equity & Advisory Limited (**Shared Services Agreement**), pursuant to which each of Tasma Corporate Services Limited and Equity & Advisory Limited will provide services to one another based on an agreed schedule of rates reflective of the costs of services. The monthly fee invoiced by Tasma Corporate Services Limited under the Shares Services Agreement is approximately \$12,000 which reflects the costs of the services provided to Equity & Advisory Limited. This arrangement is set up on a basis where the full cost of services are recovered such that neither Tasma Corporate Services Limited nor Equity & Advisory Limited are unduly advantaged by this arrangement.

The Shared Services Agreement will operate unless terminated in accordance with its terms and conditions. The Shared Services Agreement may be terminated:

- (A) by either party, without cause, by giving not less than three months prior written notice to the other party;
- (B) by mutual agreement at any time and on such terms and conditions as the parties agree; and
- (C) by a party immediately if either party experiences a change of control.

Messrs Stephen Young and Mark Vartuli, Directors, and Ms Simone Thompson, the Company's Chief Financial Officer and Company Secretary, are directors of Equity & Advisory Limited. SY & MV Pty Ltd, an entity associated with Messrs Stephen Young and Mark Vartuli, owns 47.48% of Equity & Advisory Limited.

If the Shares Services Agreement is terminated, the risk to the Company is that it will either need to develop its own in-house capabilities or engage with other third party providers of the relevant corporate services.

The divestment of Tasma's stake in Equity & Advisory Limited was approved by Shareholders at the Extraordinary General Meeting held on 4 September 2023. Messrs Stephen Young and Mark Vartuli abstained from discussing this resolution and the subsequent Shareholder vote.

The relationship between Tasma and Equity & Advisory Limited has been maintained on an arms' length basis for a number of years.

The Shared Services Agreement has been approved by the Tasma Board with Messrs Stephen Young and Mark Vartuli abstaining from both the discussion and Board vote. From the date of the divestment, fees are paid to Equity & Advisory Limited for services provided on an arms' length basis and are approved prior to payment by the Board with Messrs Stephen Young and Mark Vartuli abstaining from voting.

7.7 Legal or disciplinary action

There are no legal or disciplinary actions against a Director (or against companies that a Director was a director of at the relevant time) that are less than 10 years old and are relevant to the role to be undertaken and to the decision to invest in the Company.

7.8 Insolvent companies

Messrs Stephen Young and Mark Vartuli were directors of Ottoway Engineering Pty Ltd and Ottoway Fabrication Pty Ltd which entered into voluntary administration pursuant to section 436A of the Corporations Act on 11 July 2018. At a meeting of creditors held on 4 September 2018, unsecured creditors of both of the abovementioned companies resolved to accept a deed of company arrangement as proposed by Stephen Young and Mark Vartuli (**DOCA**). The DOCA was executed on 3 October 2018.

Mr Michael Terlet resigned as a director of Berren Asset Management Limited (which is not associated with the Tasma Group) in 2009. On 8 August 2023, liquidators were appointed to Berren Asset Management Limited. ASIC records were not updated by Berren Asset Management Limited to reflect Mr Terlet's resignation as a director in 2009.

Except as otherwise disclosed in this Prospectus, no Director has been an officer of a company that entered into a form of external administration because of insolvency during the time the relevant Director was an officer or within a 12-month period afterwards.



8. ADDITIONAL INFORMATION

8.1 Registration

The Company was registered in South Australia on 12 July 1999.

SaleCo was registered in Western Australia on 4 August 2023.

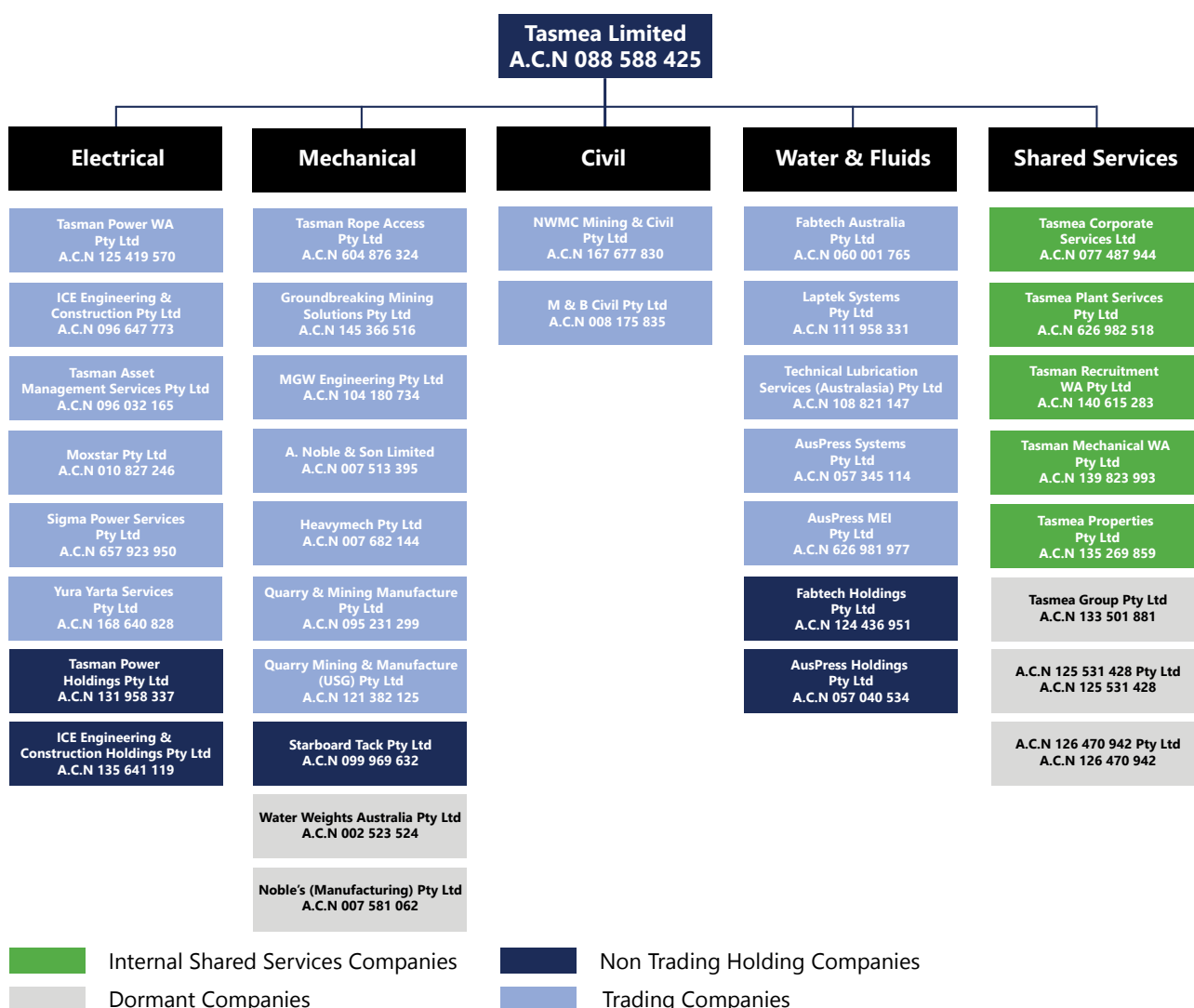
8.2 Company tax status and financial year

The Company will be subject to tax at the Australian corporate tax rate.

The Company's financial year for taxation purposes ends on 30 June.

8.3 Corporate Structure

Tasmea is a public company incorporated in Australia and acts as the parent entity to all of its businesses including non-trading holding entities and trading operating entities. All subsidiaries were incorporated in Australia and are 100% ultimately owned by Tasmea, except for Yura Yarta, which is 49% owned by Tasmea. The corporate structure of the Company has been detailed below.



8. ADDITIONAL INFORMATION

8.4 Company's Constitution and rights attaching to Shares

The Company's Constitution is of the kind usually adopted by a public company, with certain provisions taking effect once (and for so long as) the Company is listed on the ASX.

A summary of the rights attaching to the Shares under the Constitution is detailed below. This summary is qualified by the full terms of the Constitution (a full copy of the Constitution is available from the Company on request free of charge) and does not purport to be exhaustive or to constitute a definitive statement of the rights and liabilities of Shareholders. These rights and liabilities can involve complex questions of law arising from an interaction of the Constitution with statutory and common law requirements. For a Shareholder to obtain a definitive assessment of the rights and liabilities which attach to the Shares in any specific circumstances, the Shareholder should seek legal advice.

General meetings and notices

The Directors of the Company may call a general meeting and the Directors must call an annual general meeting in accordance with the Corporations Act.

Shareholders are entitled to be present in person, or by proxy, attorney or (in the case of a body corporate) by its representative appointed in accordance with the Corporations Act to attend and vote at general meetings of the Company. Shareholders may requisition meetings in accordance with section 249D of the Corporations Act.

Subject to the provisions of the Corporations Act relating to special resolutions, special notice and agreements for shorter notice, at least 28 days' notice must be given for a Shareholders meeting.

The quorum for a meeting of Shareholders is two Shareholders.

The Company may hold a Shareholders meeting using virtual technology only, or at two or more venues using any form of technology that gives Shareholders a reasonable opportunity to participate, enables the chair to be aware of proceedings in each place and enables Shareholders to vote on a show of hands and on a poll.

Voting rights

Subject to any rights or restrictions for the time being attached to any class or classes of Shares, at general meetings of Shareholders or classes of Shareholders:

- each Shareholder entitled to vote may vote in person or by proxy, attorney or representative or, if a determination has been made by the Board by direct vote;
- on a show of hands, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder has one vote in respect of each Share carrying the right to vote; and
- on a poll, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder (or where a direct vote has been lodged) shall, in respect of each Share held by him, or in respect of which he is appointed a proxy, attorney or representative, have one vote for each Share held, but in respect of partly paid Shares shall have such number of votes being equivalent to the proportion which the amount paid (not credited) is of the total amounts paid and payable in respect of those Shares (excluding amounts credited). All Shares offered under this Prospectus are fully paid Shares.

Except where otherwise provided by the Corporations Act or the Constitution, every question decided by a general meeting of Shareholders is decided by a majority on a show of hands by persons present, unless a poll is effectively demanded or the chair decided that a poll will be held.

A Shareholder present at a Shareholder meeting is not entitled to vote on any resolution in respect of any Shares on which any calls due and payable in respect of those Shares have not been paid.

Proxy

A proxy appointed to attend and vote at a Shareholder meeting on behalf of a Shareholder has the same right as the Shareholder to speak at a Shareholder meeting. A proxy must be in writing and signed by the Shareholder making the appointment or submitted by any electronic means approved by the Directors.

Direct voting

The Directors may determine that Shareholders may cast votes to which they are entitled on any or all of the resolutions (including any special resolution) proposed to be considered at, and specified in the notice convening, a meeting of Shareholders, by direct vote.

Dividend rights	Subject to and in accordance with the Corporations Act, the Listing Rules, the rights of any preference shareholders and to the rights of the holders of any Shares created or raised under any special arrangement as to dividends, the Directors may from time to time decide to pay a dividend to the Shareholder entitled to the dividend which shall be payable on all Shares according to the proportion that the amount paid (not credited) is of the total amounts paid and payable (excluding amounts credited) in respect of such Shares.
Issue of Shares	Subject to the Constitution and Corporations Act, Shares may be issued or otherwise disposed of by the Board in such manner as it thinks fit.
Transfer of Shares	Generally, Shares are freely transferable, subject to transfer formalities and any escrow requirements; the registration of the transfer not resulting in a contravention of or failure to, observe the provisions of a law of Australia and the transfer not being in breach of the Corporations Act or the Listing Rules.
Proportional takeover provisions	The registration of a transfer of Shares which would give effect to a proportional takeover bid is prohibited unless and until a resolution approving the proportional takeover bid is passed at a Shareholders meeting. The proportional takeover provisions will cease to have effect on the third anniversary of the adoption of the Constitution, unless renewed.
Shareholder liability	As Shares to be issued under the Offer are fully paid ordinary shares in the Company, they are not subject to any calls for money by Directors and will therefore not become liable for forfeiture.
Winding up	If the Company is wound up, the liquidator may, with the authority of a special resolution, divide among Shareholders in kind the whole or any part of the property of the Company, and may determine how the division is to be carried out as between Shareholders or different classes of Shareholders.
Variation of rights	<p>Pursuant to section 246B of the Corporations Act, the Company may, with the sanction of a special resolution passed at a meeting of Shareholders vary or abrogate the rights attaching to Shares.</p> <p>If at any time the share capital is divided into different classes of the Company's shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class), whether or not the Company is being wound up, may be varied or abrogated with the consent in writing of the holders of three-quarters of the issued shares of that class, or if authorized, by a special resolution passed at a separate meeting of the holders of the shares of that class.</p>
Directors – appointment, retirement and removal	<p>The minimum number of Directors is three.</p> <p>Subject to the Corporations Act, the Company may appoint a person as a Director by resolution passed in general meeting.</p> <p>The Board may appoint a Director either in addition to existing Directors or to fill a casual vacancy and such Director will hold office until the next annual general meeting.</p> <p>A Director must retire from office at the end of the third annual general meeting following that Director's last appointment or three years, whichever is longer.</p> <p>At each annual general meeting, one-third of Directors must retire from office, excluding any Director which is already required to submit to re-election in accordance with the Constitution and the Managing Director.</p> <p>The Company may, subject to the Corporations Act, by resolution passed in general meeting remove any Director before the end of the Director's term of office or elect another person as a Director.</p>

8. ADDITIONAL INFORMATION

Decisions of Directors	<p>Unless the Board determines otherwise, the quorum for a meeting of Directors is two Directors.</p> <p>A board resolution must be passed by a majority of the votes cast by Directors entitled to vote on the resolution.</p> <p>Subject to the Corporations Act and Listing Rules, in case of an equality of votes on a resolution at a meeting of Directors, the chairperson of that meeting has a casting vote on that resolution in addition to any vote the chairperson has in his or her capacity as a Director in respect of that resolution.</p>
Restricted securities	<p>The Company's Constitution complies with Listing Rule 15.12. Certain more significant holders of restricted securities and their controllers (such as related parties, promoters, substantial holders, service providers and their associates) are required to execute a formal escrow agreement in the form of Appendix 9A to the Listing Rules. For those with less significant holdings (such as non-related parties and non-promoters) the Company will issue restriction notices to holders of restricted securities in the form of Appendix 9C to the Listing Rules advising them of the restriction rather than requiring signed restriction agreements.</p> <p>Excluding the Sale Offer, none of the Shares to be issued pursuant to the Offer will be subject to any ASX imposed or voluntary escrow restrictions.</p>
Alternation of Constitution	<p>The Company's Constitution can only be amended by a special resolution passed by at least 75% of the votes cast by members entitled to vote on the resolution at the general meeting. In addition, at least 28 days' written notice specifying the intention to propose the resolution as a special resolution must be given.</p>

8.5 Sale of Sale Shares by SaleCo

The Offer of Sale Shares by SaleCo is a sell down of existing Shares by the Selling Shareholders via SaleCo. SaleCo is a special purpose vehicle that has been established to facilitate the sale of the Sale Shares by the Selling Shareholders. Each of the Selling Shareholders has been given the opportunity to enter into sale agreements with SaleCo under which they agree to sell all or a portion of their Shares to SaleCo free from encumbrances and third-party rights, at the Offer Price per Share. The number of Selling Shareholders and the entry into the sale agreements will complete prior to Completion. Stephen Young and Mark Vartuli have agreed to participate in the Sale Offer to the extent required to ensure that the number of Shares offered under the Sale Offer is 16.7 million.

Shares that SaleCo acquires from Selling Shareholders under sale agreements between Selling Shareholders and SaleCo will be transferred to successful Applicants under the Offer at the Offer Price, free from encumbrances and third-party rights. The price payable by SaleCo to Selling Shareholders for those Shares is the Offer Price.

SaleCo has no assets, liabilities or operations other than its interests in and obligation under the sale agreements detailed above. The Company has agreed to provide certain administrative and information support as is necessary to enable SaleCo to discharge its functions in relation to the Offer. The SaleCo Directors are Mark Vartuli, Jason Pryde, Simone Thompson, and the company secretary of SaleCo is Simone Thompson. The Company has indemnified SaleCo, the SaleCo Directors and company secretary of SaleCo in respect of loss suffered by them as a consequence of the Offer.

Neither the Company nor SaleCo will be responsible for paying any tax incurred by any Selling Shareholder as a result of transferring or selling Shares pursuant to the sale agreements.

8.6 Voluntary Escrow

(a) Selling Shareholders

Upon Completion, certain Existing Shareholders (including those Existing Shareholders that elect to participate in the Sale Offer) will be subject to voluntary escrow arrangements (other than for any Shares acquired by them, or entities related to them, under the Offer at the Offer Price) for a period of 11 months from the date of Admission.

Certain Existing Shareholders who elect to sell a portion of their existing Shares under the Sale Offer or elect not to participate in the Sale Offer will enter into voluntary escrow arrangements which prevent them from disposing of their Escrowed Shares during the relevant Escrow Period (subject to relevant exemptions) (being, 11 months from the date of Admission). These escrow arrangements for the Directors, Existing Shareholders and new Shareholders have been detailed in the table below:

Shareholder	No. Shares at Completion ^{1,2,3}	% of Total Issued Shares at Completion	Subject to Escrow	Escrow Period from date of Admission
Stephen Young	90,414,306 to 92,096,773 ⁴	41.52% to 42.29% ⁴	90,414,306 to 92,096,773 ⁴	17 months
Mark Vartuli	40,017,897 to 40,762,567 ⁴	18.38% to 18.72% ⁴	40,017,897 to 40,762,567 ⁴	17 months
Jason Pryde	4,143,360	1.90%	4,143,360	17 months
Joe Totaro	500,000	0.23%	500,000	11 months
Michael Terlet	546,935	0.25%	546,935	11 months
Kristie Young	12,821	0.01%	12,821	11 months
Simone Thompson	100,000	0.05%	100,000	11 months
Other Existing Shareholders (Participated in the Sale Offer)	33,626,531 to 36,041,665	15.44% to 16.55%	33,626,531 to 36,041,665	11 months
Other Existing Shareholders (Did not participate in the Sale Offer)	6,467,697 to 11,309,967	2.97% to 5.19%	–	–
New Shareholders	37,083,333	17.03%	–	–
TOTAL	217,755,150	100%	169,361,850 to 174,204,120	–

Note:

- Includes Shares held by the Directors and their associated entities.
- Based on maximum Sell Down percentages as indicated by Directors as follows:
 - Stephen Young will not participate in the Sale Offer.
 - Mark Vartuli will not participate in the Sale Offer.
 - Jason Pryde will not participate in the Sale Offer but will apply for New Shares under the Offer.
 - Michael Terlet participating in the Sell Down of 40% of his existing Shares.
 - Joe Totaro will not participate in the Sale Offer but will apply for New Shares under the Offer.
 - Kristie Young will not participate in the Sale Offer but will apply for New Shares under the Offer.
- Based on maximum Sell Down percentage of 40% assumed to be elected by Other Existing Shareholders.
- The number of Shares held by Messrs Stephen Young and Mark Vartuli (and their respective controlled entities), and other Existing Shareholders will depend on participation by Existing Shareholders in the Sale Offer and whether Messrs Stephen Young and Mark Vartuli are required to participate in the Sale Offer. Refer to Section 8.5 for further information.

Each escrowed Shareholder will agree to enter into an Escrow Deed in respect of their Shareholding on Completion (other than Shares acquired under the Offer), which prevents them from “dealing” with their respective Escrowed Shares for the applicable Escrow Period as described above. No New Shares issued under the Offer will be subject to escrow.

The restriction on dealing is broadly defined in the voluntary Escrow Deeds. The escrowed Shareholders are restricted from, among other things, selling, assigning, transferring or otherwise disposing of any legal, beneficial or economic interest in the Escrowed Shares, encumbering or granting a security interest over the Escrowed Shares, granting an option in respect of the Escrowed Shares, doing, or omitting to do, any act if the act or omission would have the effect of transferring effective ownership or control of, or any legal or beneficial or economic interest in, any of the Escrowed Shares or agreeing to do any of those things.

8. ADDITIONAL INFORMATION

An escrowed Shareholder may be released early from escrow in the following circumstances:

- (i) to accept a full or proportional takeover offer, provided that the offer has been accepted by the holders of at least 50% of the securities in the class of securities to which offers under the bid relate and which are not subject to escrow. If the offer is a conditional off-market bid, the escrow restrictions will apply to each escrowed Share not purchased by the bidder under the takeover offer or post-takeover compulsory acquisition under the Corporations Act. If the takeover bid is unsuccessful, the Escrowed Shares will return to escrow;
- (ii) to be disposed of or cancelled as part of a merger by way of compromise or arrangement under Part 5.1 of the Corporations Act. If the merger by way of compromise or arrangement does not take effect, the Escrowed Shares will return to escrow;
- (iii) to dispose of the Escrowed Shares to an associate controlled by the holder provided the associate assumes the escrow obligations; or
- (iv) if the escrowed Shareholder is a trustee, to dispose of the Escrowed Shares to a new trustee provided the new trustee assumes the escrow obligations, there is no extension to the Escrow Period and there is no change in the beneficial ownership of the Escrowed Shares as a result of the disposal.

8.7 Material Contracts

(a) Underwriting Agreement

Morgans Corporate Limited and Unified Capital Partners Pty Ltd (together, the **Underwriters**) have agreed to be the underwriters of the Offer pursuant to an underwriting agreement with the Company and SaleCo dated on or about the Prospectus Date between the Underwriters, the Company and SaleCo (**Underwriting Agreement**). Under the Underwriting Agreement, the Underwriters have agreed to underwrite the Offer.

(i) Fees and expenses

The Company will pay the fees and expenses of the Underwriters, comprising a collective management and underwriting fee of 5.85% of the gross proceeds (**Underwriting Fee**) of the Offer (before any costs, expenses or other deductions or payments).

The Underwriting Fees are payable to the Underwriters on the settlement of the Offer as a deduction from the gross proceeds.

The Company has also agreed to pay or reimburse the Underwriters for the reasonable costs and expenses incurred by the Underwriters in providing the Services or otherwise in connection with the Offer including without limitation, roadshow expenses, travel and accommodation expenses, document production and printing costs, courier costs and legal costs.

(ii) Conditions Precedent

The Underwriting Agreement includes common conditions precedents (including conducting due diligence, lodgement of this Prospectus, the entry into restriction agreements by the Existing Shareholders participating in the Sale Offer, and the entry into the agreements for the Sale Shares by the Selling Shareholders).

If the conditions precedent are not satisfied or waived by the time specified in that condition (or such later time as agreed by each Underwriter in their absolute and unfettered discretion), each Underwriter (in its absolute and unfettered discretion) may terminate its obligations under the Underwriting Agreement at any time by written notice of the Company, SaleCo and the other Underwriters.

(iii) Termination Generally

The exercise by an Underwriter of its termination rights under the Underwriting Agreement does not automatically terminate the obligations of the other an Underwriter.

If an Underwriter gives notice to the other Underwriter, the Company and SaleCo of its intention to terminate its obligations under the Underwriting Agreement (**Terminating Underwriter**), the remaining Underwriter (**Remaining Underwriter**) may elect, but is not obliged, to:

- (A) assume all of the obligations of the Terminating Underwriter under the Underwriting Agreement; or
- (B) nominate a proposed replacement underwriter for the Terminating Underwriter acceptable to the Company (acting reasonably) (**Replacement Underwriter**), to assume all the obligations of the Terminating Underwriter under the Underwriting Agreement.

If the Remaining Underwriter does not make an election to assume all of the rights and obligations of the Terminating Underwriter or to nominate a Replacement Underwriter, then the Remaining Underwriter is deemed to have terminated its remaining obligations under the Underwriting Agreement.

If the Remaining Underwriter gives notice that they will assume the obligations of the Terminating Underwriter, then the Remaining Underwriter, in addition to the fees to which it is entitled, will also be entitled to the fees that would have been payable to the Terminating Underwriter (if it had not terminated the Underwriting Agreement).

(iv) Termination events not subject to materiality

The Underwriters may terminate the Underwriting Agreement without cost or liability by notice to the Company and SaleCo if any of the following events has occurred or occurs at any time prior to the date of settlement (**Settlement Date**):

- (A) (**defective Offer documents**) in the reasonable opinion of the Underwriter, a statement in this Prospectus or certain documents relating to the Offer (including this Prospectus) (**Offer Document**) is or becomes misleading or deceptive or is likely to mislead or deceive, or there is an omission from the Prospectus of a matter required to be included in it (including, without limitation, having regard to the provisions of Part 6D.2 of the Corporations Act);
- (B) (**new circumstances**) there occurs a new circumstance that arises after the Prospectus is lodged that would have been required to be included in the Prospectus if it had arisen before lodgement;
- (C) (**supplementary prospectus**) the Company or SaleCo:
 - (I) in the opinion of the Underwriters, is required to issue a supplementary prospectus because of the operation of section 719 of the Corporations Act; or
 - (II) lodges a supplementary prospectus with ASIC in a form that has not been approved by the Underwriters in circumstances where the Company or SaleCo is notified or otherwise forms the view or becomes aware of any matter that would require them to lodge a supplementary prospectus with ASIC;
- (D) (**market fall**) the S&P/ASX 300 Index falls to a level that is 90% or less of the level as at the close of trading on the date of the Underwriting Agreement and is at or below that level at the close of trading for two consecutive business days during any time after the date of the Underwriting Agreement or on the business day immediately prior to the Settlement Date or the date of allotment;
- (E) (**share sale deed**) if any of the agreements with Selling Shareholders relating to the Sale Shares are withdrawn, varied, terminated, rescinded, altered, amended or breached or becomes void, voidable, unenforceable or there is a failure to comply;
- (F) (**escrow agreements**) any of the voluntary escrow agreement entered into by Existing Shareholders are withdrawn, varied, terminated, rescinded, altered, amended or breached or becomes void, voidable, unenforceable or there is a failure to comply with any of them;
- (G) (**forecasts**) there are not, or there ceases to be, reasonable grounds in the opinion of the Underwriters for any statement or estimate in the Offer Documents which relate to a future matter;
- (H) (**fraud**) the Company or SaleCo or any of their respective directors or officers (as those terms are defined in the Corporations Act) engage, or have engaged, in any fraudulent conduct or activity whether or not in connection with the Offer;

8. ADDITIONAL INFORMATION

- (I) (**listing and quotation**) approval is refused or not granted, or approval is granted subject to conditions other than customary conditions, to:
- (I) the Company's admission to the Official List; or
 - (II) the quotation of all of the Company's Shares (including Shares to be offered under the Offer) on ASX or their trading through CHESSE,
- or if granted, the approval is subsequently withdrawn, qualified (other than by customary conditions) or withheld;
- (J) (**notifications**) any of the following notifications are made in respect of the Offer or an Offer Document:
- (I) ASIC gives notice of an intention to hold a hearing under section 739(2) of the Corporations Act or ASIC issues an order (including an interim order) under section 739 of the Corporations Act;
 - (II) an application is made by ASIC for an order under Part 9.5 in relation to the Offer or an Offer Document;
 - (III) ASIC commences any investigation or hearing under Part 3 of the ASIC Act in relation to the Offer or those documents;
 - (IV) any person who has previously consented to the inclusion of its name in the Prospectus or supplementary prospectus withdrawing that consent; or
 - (V) any other governmental agency taking an action similar or analogous to those described in subclauses (I) to (V) above,
- and that intention, application, investigation or hearing becomes public or is not withdrawn within three Business Days of when it was made, or if it is made within three Business Days of the Settlement Date, it has not been withdrawn by the Settlement Date;
- (K) (**certificate not provided**) the Company or the SaleCo do not provide a certificate to the Underwriters certifying matters such as compliance with their obligations under the Underwriting Agreement and the representations and warranties given by them being true and correct (**Company Certificate**) as and when required by the Underwriting Agreement;
- (L) (**breach of debt funding documents**) the Company or any Group Member breaches or defaults under, any provision, undertaking, covenant or condition of the debt funding documents or any related documentation to which that entity is a party, or an event of default or event which gives a lender or financier the right to accelerate or require repayment of the debt or financing, or other similar material event occurs under or in respect of the debt funding documents to any such debt or financing arrangement or related documentation;
- (M) (**withdrawal**) either of the Company or SaleCo withdraws an Offer Document or the Offer or indicates that it does not intend to proceed with the Offer or any part of the Offer;
- (N) (**insolvency events**) any Group member becomes insolvent, or there is an act or omission which is likely to result in a Group Member becoming insolvent;
- (O) (**timetable**) an event specified in the timetable for the Offer up to and including the Settlement Date is delayed by more than two Business Days, other than any delay agreed with the Underwriters or required as a result of ASIC extending the period under section 727(3) of the Corporations Act;
- (P) (**unable to issue Offer Shares**) the Company or SaleCo is prevented from transferring or allotting and issuing the New Shares within the time required by the timetable agreed with the Underwriters under the Underwriting Agreement, the Offer Documents, the ASX Listing Rules, by applicable laws, an order of a court of competent jurisdiction or a governmental authority;
- (Q) (**change to Company**) if the Company alters the issued capital of the Company or a Group Member without the prior written consent of the Underwriters or disposes or attempts to dispose of a substantial part of the business or property of the Company or a Group Member without the prior written approval of the Underwriters;
- (R) (**regulatory approvals**) if a regulatory body withdraws, revokes or amends any regulatory approvals required for the Company to perform its obligations under the Underwriting Agreement or carry out the transactions contemplated by the Offer Documents;
- (S) (**force majeure**) there is an event or occurrence, including any statute, order, rule, regulation, directive or request of any governmental agency which makes it illegal or commercially impossible for the Underwriters to satisfy an obligation of the Underwriting Agreement, or to market, promote or settle the Offer;
- (T) (**change in management or vacancy in office**) a change in Chief Executive Officer, Chief Financial Officer, Chief Operating Officer, Managing Director or Executive Director of the Company occurs;

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- (U) **(prosecution)** any of the following occurs:
- (I) a director or proposed director named in the Prospectus of the Company or SaleCo is charged with an indictable offence;
 - (II) any governmental agency commences any public action against the Company or SaleCo or any of their respective directors in its capacity as a director of the Company or SaleCo (as applicable), or announces that it intends to take action;
 - (III) any director or proposed director named in the Prospectus of the Company or SaleCo is disqualified from managing a corporation under Part 2D.6; or
 - (IV) an offer or any Group Member engages in fraudulent conduct or activity, whether or not in connection with the Offer;
- (V) **(forward looking statements)** the Offer Documents include any prospective information, expression of opinion, belief, intention or expectation which, in the opinion of the Underwriters:
- (I) is not, or ceases to be, based on reasonable grounds; or
 - (II) is or becomes incapable of being met or is unlikely to be met in the projected timeframe.
- (W) **(constitution)** the Company varies any term of its constitution without the prior written consent of the Underwriters.

(v) Termination events subject to materiality

The Underwriters may terminate the Underwriting Agreement without cost or liability by notice to the Company and SaleCo if any of the following events has occurred or occurs at any time prior to the Settlement Date, and the Underwriters have reasonable grounds to believe that the event:

- (A) has or is likely to have a materially adverse effect on the success, settlement, outcome or marketing of the Offer or on the ability of the Underwriters to market, promote or settle the Offer or on the likely price at which the Shares offered under the Offer will trade on the ASX; or
- (B) will or is likely to give rise to a liability of the Underwriters under, or give rise to or result in a contravention or involvement in a contravention by the Underwriters of its affiliates of any applicable law.

These termination events are:

- (A) **(material contracts)** if all or any part of any of the material contracts;
 - (I) is amended or varied without the consent of the Underwriters;
 - (II) is terminated;
 - (III) ceases to have effect, otherwise than in accordance with its terms; or
 - (IV) is or becomes void, voidable, illegal, invalid or unenforceable (other than by reason only of a party waiving any of its rights) or capable of being rescinded or avoided or of limited force and effect, or its performance is or becomes illegal;
- (B) **(disclosures in the due diligence report and any other information)** the report of the due diligence committee formed by the Company in connection with the Offer (**Due Diligence Report**) or verification material or any other information supplied by or on behalf of the Company or SaleCo to the Underwriters in relation to the Group or the Offer is (or is likely to), or becomes (or becomes likely to be), misleading or deceptive, including by way of omission;
- (C) **(adverse change)** any adverse change occurs in the assets, liabilities, financial position or performance, profits, losses or prospects of the Company and the Group (insofar as the position in relation to an entity in the Group affects the overall position of the Company), including any adverse change in the assets, liabilities, financial position or performance, profits, losses or prospects of the Company or the Group from those respectively disclosed in any Offer Document or public information;
- (D) **(change of law)** there is introduced, or there is a public announcement of a proposal to introduce, into the Parliament of Australia, or any State or Territory of Australia a new law, or the Reserve Bank of Australia, or any Commonwealth or State authority, including ASIC, adopts or announces a proposal to adopt a new policy (other than a law or policy which has been announced before the date of the Underwriting Agreement);

8. ADDITIONAL INFORMATION

- (E) **(breach)** there is a contravention by the Company, SaleCo or any other Group Member of the Corporations Act, the *Competition and Consumer Act 2010* (Cth), ASIC Act (including any regulations under those acts), its constitution, or any of the Listing Rules;
- (I) any of the Offer Documents or any aspect of the Offer does not comply with the Corporations Act (and all regulations under those acts), the Listing Rules or any other applicable law or regulation; or
 - (II) the Company or SaleCo defaults on its obligations under the Underwriting Agreement;
- (F) **(representations and warranties)** a representation, warranty, undertaking or obligation contained in the Underwriting Agreement on the part of the Company or SaleCo (whether severally or jointly) is breached, becomes not true or correct or is not performed;
- (G) **(legal proceedings)** any of the following occurs:
- (I) the commencement of legal proceedings against the Company, SaleCo, any other Group Member or against any director of the Company, SaleCo or any other Group Member in that capacity; or
 - (II) any regulatory body commences any enquiry or public action against a Group Member;
- (H) **(information supplied)** any information supplied (including any information supplied prior to the date of the Underwriting Agreement) by or on behalf of a Group Member to the Underwriters in respect of the Offer or the Group is, or is found to be, misleading or deceptive, or likely to mislead or deceive (including, by omission);
- (I) **(hostilities)** hostilities not presently existing commence (whether war has been declared or not) or an escalation in existing hostilities occurs (whether war has been declared or not) involving any one or more of:
- (I) Australia, New Zealand, the United Kingdom, the United States, Hong Kong, the People's Republic of China, or any member of the European Union or a major terrorist act is perpetrated in any of those countries or any diplomatic establishment of any of those countries; or chemical, nuclear or biological weapons of any sort are used in any of those countries; or
 - (II) Russia, Israel or the Gaza region of Palestine or the military of any member state of the North Atlantic Treaty Organization becomes directly involved in, the Ukraine conflict that is ongoing as at the date of the Underwriting Agreement and the S&P/ASX 300 Index falls by at least 7.5% at any time following the announcement of the commencement or escalation of the relevant hostilities compared to the trading day immediately prior to such announcement;
- (J) **(certificate incorrect)** a statement in any Company Certificate is false, misleading, inaccurate or untrue or incorrect; or
- (K) **(disruption in financial markets)** any of the following occurs:
- (I) a general moratorium on commercial banking activities in Australia, New Zealand, the People's Republic of China, Singapore, Hong Kong, the United Kingdom, the United States or a Member State of the European Union is declared by the relevant central banking authority in those countries, or there is a disruption in commercial banking or security settlement or clearance services in any of those countries;
 - (II) any adverse effect on the financial markets in Australia, New Zealand, the United Kingdom, Hong Kong or the United States, or in foreign exchange rates; or
 - (III) trading in all securities quoted or listed on ASX, New Zealand Exchange, New York Stock Exchange, NASDAQ, Hong Kong Stock Exchange or the London Stock Exchange is suspended or limited in a material respect for one day (or a substantial part of one day) on which that exchange is open for trading.

(vi) Indemnity

Subject to certain exclusions relating to, amongst other things, the fraud, recklessness or gross negligence of the Underwriters or certain representatives (as financially judicially determined), the Company and SaleCo agree to keep the Underwriters and certain representatives of the Underwriters indemnified from and against all losses suffered or incurred in connection with the Offer and the appointment of the Underwriters pursuant to the Underwriting Agreement.

(vii) Representations, warranties, undertakings and other terms

The Underwriting Agreement contains other standard representations, warranties and undertakings by the Company and SaleCo to the Underwriters.

Certain representations and warranties are given by both the Company and SaleCo in relation to certain matters, including without limitation, its corporate power and capacity, the validity of its obligations under the Underwriting Agreement, its status, its solvency and the compliance of the Offer and Offer Documents with the Corporations Act, ASX Listing Rules and all other applicable laws, that it has obtained all approvals and authorisations required to enter into the Underwriting Agreement and enable it and the Group members to carry on their respective business and in relation to the Sale Shares.

Additional representations and warranties are given solely by the Company, including (without limitation) in relation to matters of the Group's business, financial information, eligibility for listing, intellectual property, data privacy and litigation.

The Company and SaleCo have also given certain undertakings in the Underwriting Agreement, including without limitation, notification of any breach to the Underwriters, not create any encumbrances over the Shares to be offered under the Offer and in respect of ASIC or ASX correspondence.

The Company has also given further undertakings, including:

- (A) not to withdraw the Offer;
- (B) that it will not, without the prior written consent of the Underwriters, at any time after the date of the Underwriting Agreement and up to 180 days after Completion, issue, agree to issue or indicate in any way that it may or will issue or agree to issue any Shares or securities convertible into equity or receive equity in the Company or any Group member, or enter into any swap or other arrangement that transfers to another (in whole or in part) the economic consequences of ownership of securities of that type other than pursuant to the Offer, the Underwriting Agreement, an employee share plan or option plan, non-underwritten dividend reinvestment, bonus share plan or proposed transaction fairly disclosed in the Prospectus;
- (C) that the Company must, from the date of the Underwriting Agreement until 180 days after Completion, carry on its business in the ordinary course and procure that each Group member carries on its business in the ordinary course, and must not without the prior written consent of the Lead Manager dispose of all or any material part of their business, assets or property and not acquire any business, assets or property;
- (D) that the Company must not reduce, reorganise or otherwise alter the capital structure of the Company, amend the Company's constitution or dispose of the Company's business, assets or property in whole or substantial part except as disclosed in the Offer Documents or with the prior written consent of the Underwriters;
- (E) that the Company must not, for a period of 120 days following Completion, vary any term of a material contract or any contract that is material to its business in a material respect without the prior written consent of the Underwriters to the terms of the variation (such consent not to be unreasonably withheld); and
- (F) obtain the prior written consent of the Underwriters before amending or waiving any requirements of the voluntary Escrow Deeds entered into with Selling Shareholders, and must strictly enforce the Escrow Deeds in accordance with its terms and any written directions of the Underwriters.

(viii) Potential control effects

As at the Prospectus Date, the Underwriters are not Shareholders of the Company. The Underwriters are also not related parties of the Company for the purposes of the Corporations Act.

If the Underwriters (and/or any one or more sub-underwriters appointed by it) are required to subscribe for shortfall Shares pursuant to the Underwriting Agreement, then the Underwriters will become Shareholders of the Company.

The Shares available under the Offer will represent approximately 17% of the total Shares on issue at Completion.

Accordingly, the maximum voting power that the Underwriters (and/or a sub-writer) may acquire pursuant to the underwriting arrangements (assuming that no investors subscribe for any Shares under the Offer, and all shortfall Shares are allocated to one person) is 17%.

As noted in Section 4.6, following Completion, the Directors do not expect any Shareholder to control (as defined by section 50AA of the Corporations Act) the Company.

8. ADDITIONAL INFORMATION

(b) Company General Contracting Terms

As outlined in Section 3, most of the Tasma Group's revenue is typically generated through existing MSAs and FMAs with customers, although a component of revenue is also generated by providing repeat services to customers under purchase orders or scopes of work without existing contracts in place.

Where the Tasma Group enters into MSAs or FMAs with customers they will typically contain the terms described below.

The Tasma Group considers that the MSAs or FMAs entered into with customers are otherwise on ordinary commercial terms, typical for contracts of their nature.

(i) MSAs

- (A) **(Term)** The term of the agreement varies, but is generally between 3 and 5 years, with a right to renew for a further period or periods.
- (B) **(Rates)** The rates payable by the customer for Group Member's services are based on a schedule of rates for the duration of the agreement. These rates are typically based on an hourly fee for each tradesperson undertaking the services, and may be subject to annual reviews, including CPI and fall. If the Group Member is required to provide services in a remote location, the customer is generally required to provide compensation for the meals, accommodation and travel of the relevant Group Member's personnel. The rates will also cover plant, equipment and materials that are recovered at cost plus an agreed margin.
- (C) **(Termination)** The services and/or the agreement may be terminated by the customer by giving written notice to the Group Member. Certain agreements will terminate on change of control if the relevant counterparty has not consented to the change of control event.
- (D) **(Provision of Services)** The services are provided under individual work orders, which specify the scope of works and the services required.
- (E) **(Compliance)** The Group Member must provide the services in accordance with all applicable laws, standards and customer specific requirements, including policies, procedures and standards.
- (F) **(KPIs)** The agreements may require the Group Member to satisfy agreed key performance indicators which are generally based on health and safety.
- (G) **(Reporting and Records)** The agreements generally require the Group Member to keep up to date records and provide regular reports on the services it provides to customers.
- (H) **(Insurance)** The Group Member is generally required to maintain minimum insurances, such as workers' compensation insurance, public liability insurance, motor vehicle insurance and other insurances as required by the customer.
- (I) **(Indemnities)** The agreements generally contain an indemnity from the relevant Group Member to the customer for liability arising from the provision of the services. The Group Member's liability to the customer under the agreements are often capped.
- (J) **(Representations and warranties)** . The agreements generally contain representations and warranties from the Group Member and the customer that are typical for agreements of this nature.
- (K) **(Change of Control)** Some of the agreements require the consent of the counterparty to a change in control of the relevant Group Member, and a failure to comply with such an obligation gives rise to a termination right. Generally, most of the agreements may be terminated by written notice, so there is no guarantee that the agreement will continue if a change in control of the Group Member occurs (even if there is no express change of control provision within the agreement).
- (L) **(Confidentiality)** The agreements generally contain confidentiality clauses that carve out disclosures required by law (including by the rules of any stock exchange).
- (M) **(Governing law)** The Agreements are subject to Australian laws, and specifically refer to the laws of differing States within Australia (i.e. Western Australia and South Australia).

(c) Real Property

(i) Freehold properties

Tasmea's subsidiaries operate part of their business from core freehold premises held by the registered proprietors, as set out in the table below.

Registered Proprietor	Property	Use
A. Noble & Son Limited ACN 007 513 395	1 Gosse Street, Roxby Downs, SA 5725 (CT 6161/3)	Industrial yard
NWMC Mining & Civil Pty Ltd ACN 167 677 830	368 Poinsettia Street, Tom Price, WA 6751 (CT 1715/451)	Residential
NWMC Mining & Civil Pty Ltd ACN 167 677 830	636 Coolaroo Street, Tom Price, WA 6751 (CT 1746/433)	Residential

(ii) Third party leases

Tasmea's subsidiaries have entered into approximately 40 third party leases made up of both commercial and residential leases which are on standard commercial terms and consistent with statutory and legislative requirements.

The leasehold properties which are core to the business operations of Tasmea's subsidiaries are summarised in the table below.

The Tasmea Group operates a material part of its business from the leased premises summarised in the table below.

Location	Lessee	Term (including any options to extend)	Initial Expiry
Part Level 2, 170 Fullarton Road, Dulwich, SA 5065	Tasmea Corporate Services Ltd ACN 077 487 944	3 years, 11 months No option to renew.	31 March 2026

The remaining leasehold properties are not material to the Tasmea Group's core business activities, but are on standard commercial terms and consistent with statutory and legislative requirements.

8. ADDITIONAL INFORMATION

(iii) Related party leases

The Tasma Group also operates part of its business from premises leased from related parties. The aggregate annual rent payable under the core related party leases in FY23 was approximately \$1,367,941.

The material terms of the core related party leases are summarised in the table below. The rent payable under these leases will increase periodically based on a fixed percentage and/or market value review.

Location	Lessee	Lessor	Term (including any options to extend)	Initial Expiry
75 Verde Drive, Jandakot, WA 6164	Tasman Power WA Pty Ltd ACN 125 419 570	Pryde Corporation Pty Ltd ACN 611 278 258 as trustee for the Pryde Trust and Mark McDonnell Holdings Pty Ltd ACN 611 278 249 as trustee for the Mark McDonnell Trust ¹	Initial term – 5 years Lessee has two options to renew for 3 years	5 June 2026
24 Kaurna Avenue, Edinburgh, SA 5111	Fabtech Australia Pty Ltd ACN 060 001 765			30 November 2023
	Heavymech Pty. Ltd. ACN 007 682 144	Regent Street Properties Pty Ltd ACN 086 388 043 as trustee for Regent Street Properties Unit Trust ²	Initial term – 9 months	31 December 2023
	Quarry & Mining Manufacture Pty Ltd ACN 095 231 299		Automatic 6 month renewals	31 October 2023
	A. Noble & Son Limited ACN 007 513 395			30 June 2023
717 Grand Junction Road, Northfield SA	Heavymech Pty. Ltd. ACN 007 682 144	Regent Street Properties Pty Ltd ACN 086 388 043 ²	Initial term – 5 years Lessee has two options to renew for 5 years	14 February 2025, noting the landlord has consented to Heavymech Pty Ltd electing to vacate this site by 31 December 2023 moving into the abovementioned Edinburgh, SA facility
164 Duchess Road, Mount Isa QLD	Heavymech Pty. Ltd. ACN 007 682 144	Regent Street Properties Pty Ltd ACN 086 388 043 as trustee for Regent Street Properties Unit Trust ²	Initial term – 9 months Automatic 6 month renewals	31 October 2023

Notes:

1. Pryde Corporation Pty Ltd ACN 611 278 258 as trustee for the Pryde Trust is an entity associated with Jason Pryde, a Director.
2. Regent Street Properties Pty Ltd ACN 086 388 043 is an entity associated with Stephen Young and Mark Vartuli, both of whom are Directors.

(iv) Related Party Property Transfer

As at the Prospectus Date, the Company is proposing to enter into a sale agreement with the Brill Land Village Trust to sell the Brill Lane Property for the consideration of \$825,000, subject to receiving consent from DevelopmentWA for the property transfer.

The sale agreement will be unconditional and otherwise on customary terms and conditions. Please refer to Section 7.6(a) for further details.

(d) Other material contracts

(i) Finance Agreements

The Company and its subsidiaries (each a **Borrower**) are parties to separate facility agreements with the Bank of South Australia (**Lender**) for the purposes of financing equipment acquisitions, providing guarantees and financing other corporate expenses. The facility agreements in aggregate total approximately \$84.2 million. Directors, Messrs Young and Vartuli have personally guaranteed up to \$7,500,000 of the Group debt to the Lender.

The obligations of each Borrower under the facilities are cross-guaranteed. Each Borrower has granted security in favour of the Lender over all of their assets and undertakings, present and future. The terms of the facilities are otherwise on standard terms of a transaction of this nature.

At Completion, the Company intends to remove the personal guarantees given by Messrs Young and Vartuli.

The Tasma Group also has access to certain other financing facilities with various financiers. The terms of these facilities are on standard terms of a transaction of this nature.

(ii) Shared Services Agreement

The Company's wholly owned subsidiary, Tasma Corporate Services Limited, has entered into the Shared Services Agreement with Equity & Advisory Limited, pursuant to which each of Tasma Corporate Services Limited and Equity & Advisory Limited will provide services to one another based on an agreed schedule of rates reflective of the costs of services. The monthly fee invoiced by Tasma Corporate Services Limited under the Shared Services Agreement is approximately \$12,000 which reflects the costs of the services provided to Equity & Advisory Limited.

The Shared Services Agreement will operate unless terminated in accordance with its terms and conditions. The Shared Services Agreement may be terminated:

- (A) by either party, without cause, by giving not less than three months prior written notice to the other party;
- (B) by mutual agreement at any time and on such terms and conditions as the parties agree; and
- (C) by a party immediately if either party experiences a change of control.

(iii) Historical Acquisitions

Tasma acquired a 100% interest in Forefront during FY2024. As part of the purchase agreement, Tasma agreed with the vendor of Forefront that a portion of the purchase consideration is to be received as deferred consideration after settlement. In this regard, the vendor has an opportunity to earn up to \$4.6 million in total deferred consideration being up to \$1.15 million per annum over a 4 year period, should certain earnings hurdles be achieved.

(iv) Yura Yarta Services Pty Ltd Shareholders Agreement

The Company holds a 49% shareholding in Yura Yarta Services Pty Ltd (**Yura Yarta**), which is a registered Supply Nation Aboriginal and Torres Strait Islander business.

The majority 51% shareholding in Yura Yarta is held by:

- (A) a 100% indigenous owned company, Raw Group Pty Ltd (which is not a Related Body Corporate of Tasma) holding 31%; and
- (B) two indigenous employees of Yura Yarta, each holding 10%.

The shareholders of Yura Yarta are parties to a shareholders agreement (**Shareholders Agreement**), which contains the following material terms:

- (A) the Shareholders Agreement terminates automatically:
 - (I) if all the parties agree in writing;
 - (II) if Yura Yarta is wound up by court order;
 - (III) if Yura Yarta ceases to be or ceases to qualify as an indigenous enterprise or to be registered on Supply Nation as a registered or certified supplier; or
 - (IV) if one person is registered as the holder of all of the shares in Yura Yarta;
- (B) Tasma or its related entities will provide support services (i.e. business development, project management, operations, recruitment, financial support services) to Yura Yarta as required in consideration for a fixed monthly service fee equal to 10% of Yura Yarta's turnover for that month;

8. ADDITIONAL INFORMATION

- (C) if Yura Yarta engages Tasmae to undertake works, Yura Yarta will pay Tasmae its direct costs plus a mark-up of 10%;
- (D) the board of directors of Yura Yarta (**Yura Yarta Board**) shall comprise of:
 - (I) one representative nominated by Raw Group Pty Ltd;
 - (II) one representative nominated by each indigenous shareholder (other than Raw Group Pty Ltd) that holds 10% of the shares on issue in Yura Yarta; and
 - (III) three representatives nominated by Tasmae.

Messrs Stephen Young, Jason Pryde and James Melnike have been appointed to the Yura Yarta Board as Tasmae's nominee directors. Through its nominee directors on the Yura Yarta Board, as a shareholder of Yura Yarta and an exception to confidentiality obligations permitting disclosures required by law, Tasmae has access to information relating to Yura Yarta and its operation necessary to comply with its obligations as a disclosing entity;

- (E) each director on the Yura Yarta Board may exercise one vote, except the director nominated by Raw Group Pty Ltd may exercise:
 - (I) two votes, where the number of directors appointed by indigenous shareholders (other than Raw Group Pty Ltd) is one; and
 - (II) one vote, where the number of directors appointed by indigenous shareholders (other than Raw Group Pty Ltd) is two or more;
- (F) prior to the commencement of each financial year, the Yura Yarta Board will cause a business plan and annual budget for Yura Yarta to be formulated and adopted by them for the next financial year;
- (G) each shareholder of Yura Yarta has a right of pre-emption over the issue of new shares or the transfer of shares in Yura Yarta;
- (H) if shareholders holding more than 75% of the shares in Yura Yarta wish to sell their shares to a third party (**Majority Sellers**), then:
 - (I) the Majority Sellers must notify the remaining shareholders of the proposed terms of the sale and, within five business days of receipt of such notice, the remaining shareholders may exercise their tag along option to sell their shares, on terms no less favourable than those that apply to the Majority Sellers, to the third party; or
 - (II) subject to the Majority Sellers complying with the pre-emptive rights provisions in the Shareholders Agreement or the constitution of Yura Yarta, the remaining shareholders must also sell their shares to the third party if required to do so by the Majority Sellers; and
- (I) each shareholder of Yura Yarta is prohibited from engaging in a business or activity in Australia that is the same or substantially similar to the business or any material part of the business conducted by Yura Yarta (being the business of providing labour services to the mining, oil and gas and defence industries in Australia by a workforce that preferentially employs persons of Indigenous decent). Such restraint applies from the date the shareholder becomes a party to the Shareholders Agreement and continues until the expiry of a maximum of five years after the date on which the relevant shareholder ceases to hold shares in Yura Yarta. This extends to soliciting employees or customers of Yura Yarta.

Tasmae also provides funding to Yura Yarta, from time to time, for working capital purposes.

(v) Heads of Agreement – Dingo Construction

Tasmae has entered into a heads of agreement (**HOA**) with Dingo Corporation Pty Ltd and others (**Dingo Corporation**), pursuant to which Tasmae has agreed to purchase certain assets comprising the Dingo Construction business (being, a civil contracting services and machine hire services business) (**Dingo Business**), subject to various conditions.

The material terms of the HOA are as follows:

- (A) the consideration payable by Tasmae for the specified assets of the Dingo Business is a total of \$6,500,000, of which:
 - (I) \$6,000,000 will be payable at completion; and
 - (II) \$500,000 will be payable on 1 October 2024 subject to Craig Holmwood entering into, and complying with the terms of, the consultancy agreement with Tasmae;

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- (B) completion is conditional upon the satisfaction or waiver of the following conditions precedent by 30 April 2024:
- (I) the key employees of the Dingo Business executing employment agreements with Tasmea on the same remuneration arrangements as they currently enjoy;
 - (II) Craig Holmwood entering into a consultancy agreement to provide consulting services to Tasmea for a period of at least three months following completion;
 - (III) Tasmea completing its due diligence by 18 April 2024;
 - (IV) approval from Dingo Corporation's key customers and counterparties for the novation of any relevant agreements; and
 - (V) completion of a market valuation of plant and equipment by an independent valuer confirming that the fair market value of the plant and equipment is not materially less than \$3,700,000; and
- (C) Tasmea is entitled to a period of exclusivity until 18 April 2024 (unless extended by mutual agreement between the parties) for the purposes of undertaking due diligence. During this time, Dingo Corporation will provide all relevant financial and supporting information to allow Tasmea to complete its due diligence, and will not negotiate or enter into any agreement with any other person with respect to or for the purposes of selling the assets of the Dingo Business during the exclusivity period.

8.8 Litigation and claims

As far as the Directors are aware, there is no current or threatened civil litigation, arbitration proceeding or administrative appeal, or criminal or Governmental prosecution of a material nature in which the Company is directly or indirectly concerned which is likely to have a material adverse impact on the business or financial position of the Company.

8.9 Regulatory relief

(a) ASIC exemptions and relief

ASIC has granted the following exemption from and modification to, the Corporations Act:

- (i) Relief from the operation of subsection 606(1) of the Corporations Act relating to the prohibition preventing persons from acquiring a relevant interest in voting shares in a company where that voting power increases from 20% or below to more than 20% in respect of the Sell Down.

(b) ASX confirmations

Tasmea has sought standard waivers and confirmations including the following waivers and confirmations in connection with its application to the ASX for admission:

- (i) Confirmation that Listing Rule 1.1 condition 10 and Listing Rule 9.2 do not apply to the Company as it has a track record of profitability or revenue acceptable to ASX;
- (ii) Confirmation that the Company will not be required to provide quarterly cash flow reports in accordance with Listing Rule 4.7B and quarterly activity reports in accordance with Listing Rule 4.7C;
- (iii) Confirmation that the Company will not be required to comply with Listing Rule 4.10.19 in respect of its first two annual reports after admission to the ASX; and
- (iv) Confirmation that Listing Rule 10.1 will not apply in relation to leases entered into with related parties of Tasmea prior to the IPO which are disclosed in this Prospectus.

8. ADDITIONAL INFORMATION

8.10 Taxation considerations

(a) Introduction

This Section provides a general summary of the Australian tax consequences for investors who acquire Shares under the Offer.

The categories of investors considered in this summary are limited to Australian resident individuals, complying superannuation entities and certain companies, trusts or partnerships, as well as certain non-resident investors, each of whom holds their Shares on capital account.

This Section 8.10 does not consider the consequences for investors who are insurance companies or banks, investors that hold their shares on revenue account, carry on a business of trading in shares or otherwise hold their Shares as trading stock, investors who acquired Shares in connection with an employee share scheme, or investors who are exempt from Australian tax. This Section 8.10 also does not cover the consequences for investors who are subject to the Taxation of Financial Arrangements regime in Division 230 of the *Income Tax Assessment Act 1997* (Cth).

The summary in this Section 8.10 are based on the Australian taxation laws, including the established interpretations of those laws, applicable case law and published Australian Taxation Office rulings, determinations and administrative practice in force as at the date of the Prospectus. This summary is general in nature and is not intended to be an authoritative or complete statement of the applicable law.

During the period of ownership of the Shares by Shareholders, the taxation laws of Australia, or their interpretation, may change. Given that the precise implications of ownership of disposal of Shares will depend on each Shareholders' specific circumstances, Shareholders should obtain independent advice on the taxation implications of holding or disposing of Shares, taking into account their specific circumstances.

(b) Taxation of Dividends

The capital raising of the Company involves the issue of Shares which will be an equity interest for Australian tax purposes. Dividends may be paid to Shareholders by the Company where the relevant legal and accounting requirements are met. The treatment of the dividends which are paid to investors will vary depending on whether the investor is an Australian resident or foreign resident. The taxation treatment will also vary depending on the extent to which any dividends carry a franking credit. It should be noted that the concept of a dividend for Australian income tax purposes is very broad and can include payments that are made in respect of certain transactions including but not limited to off-market share buy-backs.

(c) Australian Tax Resident Shareholders

Australian tax resident Shareholders will be required to include any dividends in their assessable income in the income year in which the dividends are paid. To the extent that the dividends are fully or partly franked, subject to the comments below, the associated franking credits should also be included in the Australian tax resident Shareholder's assessable income. Shareholders are subject to tax at their applicable rate of tax on the grossed-up dividends received but may be entitled to a tax offset for the associated franking credits.

To the extent that the dividends are unfranked, there is no gross-up (or tax offset) and Australian resident Shareholders should be subject to tax at their applicable rate of tax on the unfranked dividends received.

Generally, Shareholders should be entitled to a tax offset equal to the amount of any franking credits attached to the dividend, subject to certain requirements being satisfied.

In cases where non-corporate Shareholders, encompassing individuals and compliant superannuation entities, receive franking credits that surpass their tax liability, these Shareholders have the right to request a refund from the Australian Taxation Office for the surplus franking credits. Conversely, when the franking credits fall short of covering the tax due on dividends, these Shareholders must remit an additional tax amount.

For non-corporate Shareholders classified as trustees (excluding trustees of compliant superannuation entities) or partnerships, the incorporation of any franking credits into the net income computation of the trust or partnership is necessary. This action could enable the relevant beneficiary or partner to potentially claim a corresponding tax offset, subject to certain requirements being satisfied.

Corporate Shareholders are also eligible for a tax offset equivalent to the received franking credit amount. Differing from non-corporate Shareholders, corporate entities cannot claim refunds for surplus franking credits. Where excess franking credits exist, corporate Shareholders might gain eligibility to convert the surplus credits into carry forward tax losses. Additionally, corporate Shareholders should possess a franking credit in their accounts commensurate with the franking credits obtained concerning the dividends. This credit can subsequently be employed by corporate Shareholders to issue franked distributions to their shareholders.

In situations where the dividend lacks franking, non-corporate Shareholders will typically confront taxation at their prevailing marginal tax rate for the received dividend, without the availability of a tax offset.

(d) Shares Held at Risk or Qualified Person Rules

Certain restrictions within Australian taxation law can limit a Shareholder's access to franking credit benefits. To claim tax offsets for franking credits, Shareholders must qualify as "qualified persons" for the relevant dividends. The complexity of the qualified person criteria, especially when dividends are received indirectly via trusts or partnerships, necessitates Shareholders to seek professional guidance regarding their eligibility based on their unique circumstances.

Denial of franking credit benefits can occur if a Shareholder doesn't meet the "qualified person" criteria, leading to exclusion of the franking credit amount from their assessable income and forfeiture of the tax offset.

Being a "qualified person" involves satisfying two tests: the holding period rule and the related payment rule. Under the holding period rule, Shares need to be held "at risk" for over 45 consecutive days, considering exceptions like an individual's total franking offsets not exceeding \$5,000 in a fiscal year. Special regulations pertain to trusts and beneficiaries.

The related payment rule introduces a different assessment period if a Shareholder has made or is obligated to make a related payment concerning the dividend. Shareholders should consult professionals to confirm their compliance with these rules.

Professional advice is crucial for Shareholders to determine their eligibility as a "qualified person" in relation to Company-paid dividends.

(e) Dividend Washing Rules

Dividend washing rules may apply in certain circumstances, meaning that no tax offset is available for a dividend received on Shares. These rules broadly apply where Shareholders seek to obtain additional franking benefits by disposing of Shares ex-dividend and re-purchasing a substantially similar parcel of Shares cum-dividend on a special market.

(f) Non-Resident Shareholders

Unfranked dividends paid to non-Australian tax resident Shareholders are commonly subject to dividend withholding tax. The Australian dividend withholding tax stands at a flat 30% on the total dividend amount, unless the Shareholder is a tax resident of a country that has an applicable double tax treaty with Australia. In such cases, the withholding tax is usually capped at 15%. There are scenarios where the rate could be further reduced based on the Shareholder's country of residence and their shareholding size. Under specific circumstances, unfranked dividends connected to certain categories of foreign income obtained by the Company might be eligible for distribution without dividend withholding tax according to Australia's conduit foreign income rules. These dividends could also be exempt from additional Australian taxation.

Fully franked dividends, on the other hand, are not subject to Australian dividend withholding tax and are also exempt from further Australian taxation.

Non-resident Shareholders are advised to carefully assess the tax ramifications of receiving dividends from the Company within the context of their respective domestic tax systems.

(g) Taxation of Future Share Disposals

(i) Australian Tax Resident Shareholders

Subject to the Company successfully completing the Listing, the Shares will be listed on the ASX and can be sold separately.

Australian tax resident Shareholders holding Shares as capital assets need to consider Australian capital gains tax (CGT) implications upon Share disposal. Some Shareholders treat Shares as trading stock or fall under the Taxation of Financial Arrangements regime. These Shareholders should seek professional advice about the tax consequences of such disposal.

A capital gain arises if capital proceeds from Share disposal exceed the CGT cost base. This cost base generally includes the Shares issue or acquisition price along with acquisition and disposal costs. Non-assessable distributions like returns of capital can reduce this cost base. A CGT roll-over during Share acquisition can also alter it.

8. ADDITIONAL INFORMATION

Conversely, Australian tax resident Shareholders may face a capital loss if disposal proceeds fall below the reduced CGT cost base.

Net capital gains or losses within a fiscal year are summed up. If a net gain exists, unused net capital losses from prior years can offset it, adhering to specific criteria. Remaining net gain (after applying carried forward losses) is added to the Shareholder's assessable income and taxed at their rate. Net capital losses can be carried forward indefinitely if loss recoupment criteria are met, deductible against future capital gains.

A CGT discount, applicable if Shares are held for at least 12 months before disposal, may benefit individual, trustee, and complying superannuation entity Shareholders. Current year or carried forward capital losses offset the gain before applying the CGT discount.

Individuals and trusts have a 50% CGT discount, while complying superannuation entities have 33.33%. Corporate Shareholders don't have access to this discount.

In relation to trusts, the rules surrounding capital gains and the CGT discount are complex, but the benefit of the CGT discount may flow through to relevant beneficiaries, subject to certain requirements being satisfied.

(ii) Non-Resident Shareholders

The disposal of a Share by a Shareholder who is a non-resident of Australia who holds their Shares on capital account will usually be subject to CGT. However, an initial capital gain is ignored unless the Share qualifies as taxable Australian property. This is the case if the Shareholder holds at least 10% associate-inclusive interest in the Company during the disposal or continuously in the preceding 24 months, and if the Company qualifies as land rich for Australian income tax.

Additionally, a Share used by a non-resident Shareholder in an Australian business through a permanent establishment generally qualifies as taxable Australian property.

If a non-resident Shareholder realises a capital gain from disposing of a Share that's taxable Australian property, they must file an Australian income tax return with the gain included. The CGT discount usually isn't applicable, but the capital gain can be offset by available capital losses, contingent on meeting specific loss recoupment criteria. The remaining capital gain (after applying losses) is taxed at the Shareholder's marginal tax rate.

Incurring a capital loss, non-resident Shareholders should compare the reduced cost base of a Share with its disposal proceeds. However, similar to capital gains, a capital loss is only relevant if the Share being disposed of is taxable Australian property. Such losses can be offset against capital gains from the disposal of taxable Australian property in the same or future income years, as long as loss recoupment criteria are met.

Some non-resident Shareholders might categorise their Shares as trading stock or fall under the Taxation of Financial Arrangements regime. Such Shareholders should consult professionals to understand the tax implications of Share disposal.

(h) Tax File Number and Australian Business Number

The Company cannot insist that Shareholders provide their Tax File Number (TFN) or Australian Business Number (ABN).

A Shareholder may choose to notify the Company of their TFN, or where relevant, ABN. If a TFN or ABN is not quoted and no exemption is applicable, income tax is required to be deducted by the Company at the highest marginal rate (currently 45%) plus Medicare Levy (currently 2%) from certain dividends paid.

A Shareholder that holds Shares as part of an enterprise may quote its Australian Business Number instead of its TFN. Non-resident Shareholders should generally be exempt from the TFN withholding rules.

No withholding requirement applies in respect of fully franked dividends paid by the Company on the Shares.

(i) Stamp Duty

No stamp duty should be payable by a Shareholder on the acquisition of Shares pursuant to the Offer. Shareholders should seek their own advice as to the impact of stamp duty in their own particular circumstances.

(j) Goods and Services Tax

Goods and services tax (GST) should not be payable in respect of the issue, acquisition or transfer of Shares by an Australian resident. However, GST may be payable on expenses incurred relating to the acquisition, redemption or disposal of the Shares (e.g. brokerage or professional advisory fees).

No GST should be payable in respect of dividends paid to Shareholders.

Shareholders should seek their own independent advice in respect of the impact of GST in respect of their Shares based on their own particular circumstances, including their entitlement to claim a refund of the GST cost of fees and any other associated expenses.

8.11 Ownership restrictions

(a) *Foreign Acquisitions and Takeovers Act 1975 (Cth)* and Commonwealth Government Foreign Investment Policy

Generally, the *Foreign Acquisitions and Takeovers Act 1975 (Cth)* (FATA) applies to acquisitions of shares and voting power in a company of 20% or more by a single foreign person and its associates (**Substantial Interest**), or 40% or more by two or more un-associated foreign persons and their associates (**Aggregate Substantial Interest**).

The FATA also regulates acquisitions of 'direct interests' in 'national security businesses'. Tasma is likely to be a 'national security business' for this purpose (given various aspects of its business including those relating to Defence). A person will acquire a 'direct interest' in Tasma if it acquires an interest of 10% or more, or if it acquires an interest of 5% or more if the person who acquires the interest has entered into a legal arrangement relating to the business of the person and Tasma, or if it acquires any percentage interest if the person who acquires the interest is in a position to influence or participate in the central management or control of Tasma or to influence, participate in or control the policy of Tasma.

Where a proposed acquisition of a Substantial Interest or Aggregate Substantial Interest meets certain criteria, the acquisition may not occur unless notice of it has been given to the Commonwealth Treasurer and the Commonwealth Treasurer has either stated that there is no objection to the proposed acquisition in terms of Australia's Foreign Investment Policy or a statutory period has expired without the Federal Treasurer objecting. An acquisition of a Substantial Interest or an Aggregate Substantial Interest meeting certain criteria may also lead to divestment orders unless a process of notification, and either a statement of non-objection or expiry of a statutory period without objection, have passed.

In addition, in accordance with Australia's Foreign Investment Policy, proposed acquisitions of a direct investment in an Australian company by foreign government investors and their associates must be notified to the Foreign Investment Review Board for prior approval, irrespective of the value of the investment. According to Australia's Foreign Investment Policy, a direct investment will typically include any investment of 10% or more of the shares (or other securities or equivalent interest or voting power) in an Australian company but may also include investment of less than 10% where the investor is building a strategic stake in the target or obtains potential influence or control over the target.

(b) Corporations Act

The takeover provisions in Chapter 6 of the Corporations Act restrict acquisitions of Relevant Interests in issued voting shares in listed companies, and unlisted companies with more than 50 members, if, as a result of the acquisition, the acquirer's (or another party's) voting power in that company would increase from 20% or below to more than 20%, or would increase from a starting point that is above 20% and below 90%, unless certain exceptions apply. The Corporations Act also imposes notification requirements on persons having voting power of 5% or more in the Company either themselves or together with their associates.

8.12 Selling Restrictions

This document does not constitute an offer of Shares in any jurisdiction in which such an offer would be unlawful. In particular, this document may not be distributed to any person, and the Shares may not be offered or sold, in any country outside Australia except to the extent permitted below.

(a) New Zealand

This document has not been registered, filed with or approved by any New Zealand regulatory authority under the *Financial Markets Conduct Act 2013* (the **FMC Act**).

The Shares are not being offered or sold in New Zealand (or allotted with a view to being offered for sale in New Zealand) other than to a person who:

- (i) is an investment business within the meaning of clause 37 of Schedule 1 of the FMC Act;
- (ii) meets the investment activity criteria specified in clause 38 of Schedule 1 of the FMC Act;
- (iii) is large within the meaning of clause 39 of Schedule 1 of the FMC Act;
- (iv) is a government agency within the meaning of clause 40 of Schedule 1 of the FMC Act; or
- (v) is an eligible investor within the meaning of clause 41 of Schedule 1 of the FMC Act.

8. ADDITIONAL INFORMATION

(b) Hong Kong

This document has not been, and will not be, registered as a prospectus under the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong, nor has it been authorised by the Securities and Futures Commission in Hong Kong pursuant to the Securities and Futures Ordinance (Cap. 571) of the Laws of Hong Kong (the SFO). Accordingly, this document may not be distributed, and the Shares may not be offered or sold, in Hong Kong other than to “professional investors” (as defined in the SFO and any rules made under that ordinance).

No advertisement, invitation or document relating to the Shares has been or will be issued, or has been or will be in the possession of any person for the purpose of issue, in Hong Kong or elsewhere that is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Shares that are or are intended to be disposed of only to persons outside Hong Kong or only to professional investors. No person allotted Shares may sell, or offer to sell, such securities in circumstances that amount to an offer to the public in Hong Kong within six months following the date of issue of such securities.

The contents of this document have not been reviewed by any Hong Kong regulatory authority. You are advised to exercise caution in relation to the Offer. If you are in doubt about any contents of this document, you should obtain independent professional advice.

(c) Singapore

This document and any other materials relating to the Shares have not been, and will not be, lodged or registered as a prospectus in Singapore with the Monetary Authority of Singapore. Accordingly, this document and any other document or materials in connection with the Offer or sale, or invitation for subscription or purchase, of Shares, may not be issued, circulated or distributed, nor may the Shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore except pursuant to and in accordance with exemptions in Subdivision (4) Division 1, Part 13 of the Securities and Futures Act 2001 of Singapore (the SFA) or another exemption under the SFA.

This document has been given to you on the basis that you are an “institutional investor” or an “accredited investor” (as such terms are defined in the SFA). If you are not such an investor, please return this document immediately. You may not forward or circulate this document to any other person in Singapore.

Any offer is not made to you with a view to the Shares being subsequently offered for sale to any other party in Singapore. On-sale restrictions in Singapore may be applicable to investors who acquire Shares. As such, investors are advised to acquaint themselves with the SFA provisions relating to resale restrictions in Singapore and comply accordingly.

8.13 Interests of Named Persons

Set out below are the benefits that have been or have been agreed to be given to Directors, persons named in the Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of the Prospectus, promoters of the Company and underwriters (but not sub-underwriters) to the Offer or a financial services licensee named in the Prospectus as a financial services licensee involved in the Offer (together, **Prescribed Persons**).

Except as set out below or elsewhere in this Prospectus, no Prescribed Person holds, or during the last two years has held, any interests in:

- (a) the formation or promotion of the Company;
- (b) any property acquired or proposed to be acquired by the Company in connection with the Company’s formation or the promotion, or the Offer; or
- (c) the Offer.

In addition, except as set out below or elsewhere in this Prospectus, no benefits of any kind, (whether in cash, Shares or otherwise) have been paid or agreed to be paid to:

- (a) a Director to induce them to become, or to qualify as, a Director of the Company; or
- (b) a Prescribed Person for services provided by them in connection with the formation or promotion of the Company, or the Offer.

Tasmea has engaged the following professional advisors and consultants in relation to the Offer:

- (a) Morgans Corporate Limited, Unified Capital Partners Pty Ltd and Shaw and Partners Limited have acted as a Joint Lead Managers. Morgans Corporate Limited and Unified Capital Partners Pty Ltd have also acted as Underwriters to the Offer. The Company has agreed to pay the fees described in Section 8.7(a) for these services. During the two years preceding the lodgement of this Prospectus with ASIC, the Joint Lead Managers have not received any fees from the Company for other services;
- (b) Thomson Geer has acted as the Australian Legal Adviser to Tasmae for the purposes of the Offer. The Company has agreed to pay \$593,617 (excluding GST) for these services up until the Prospectus Date. During the two years preceding the lodgement of this Prospectus with ASIC, Thomson Geer has received \$21,006 (excluding GST) from the Company for other services;
- (c) Grant Thornton Corporate Finance Pty Ltd has acted as the Investigating Accountant in connection with the Offer and has performed work in relation to the Financial Information included in Section 5 and its Investigating Accountant's Report included in Appendix A. The Company has agreed to pay \$345,000 (excluding GST) for these services up until the Prospectus Date. During the two years preceding the lodgement of this Prospectus with ASIC, Grant Thornton Corporate Finance Pty Ltd has received \$51,575 (excluding GST) from the Company for other services;
- (d) Grant Thornton Australia Limited has acted as tax adviser and provider of tax due diligence to the Company in relation to the Offer. The Company has agreed to pay \$114,000 (excluding GST) for these services up until the Prospectus Date. During the two years preceding the lodgement of this Prospectus with ASIC, Grant Thornton Australia Limited has received \$200,786 (excluding GST) from the Company for other services. Further amounts may be paid to Grant Thornton Australia Limited for other work in accordance with its normal time-based charges;
- (e) Grant Thornton Audit Pty Ltd has acted as the current auditor of the Company and has audited or reviewed the accounts detailed in Section 5. During the two years preceding the lodgement of this Prospectus with ASIC, Grant Thornton Audit Pty Ltd has received \$957,356 (excluding GST) from the Company for audit services. Further amounts may be paid to Grant Thornton Audit Pty Ltd in accordance with its normal time-based charges;
- (f) Equity & Advisory Limited has acted as corporate advisor to the Company in relation to the Offer. The Company has paid, or agreed to pay, approximately \$530,486 (excluding disbursements and GST) for these services up until the Prospectus Date. During the two years preceding the lodgement of this Prospectus with ASIC, Equity & Advisory Limited has received \$58,807 (excluding GST) from the Company for other services. Further amounts may be paid to Equity & Advisory Limited in accordance with its normal time-based charges; and
- (g) Link Market Services Limited has acted the share registry to the Company in relation to the Offer. The Company has paid, or agreed to pay, approximately \$13,000 (excluding disbursements and GST) for these services up until the Prospectus Date. During the two years preceding the lodgement of this Prospectus with ASIC, Link Market Services Limited has received \$102,132 (excluding GST) from the Company for other share registry services. Further amounts may be paid to Link Market Services Limited in accordance with its normal service-based charges.

These amounts, and other expenses of the Offer, will be paid by the Company out of funds raised under the Offer or available cash. Further information on the use of proceeds and payment of expenses of the Offer is set out in Section 4.4.

8.14 Costs of the Offer

The costs of the Offer payable by SaleCo and Tasmae are estimated to be approximately \$5.9 million (including legal, accounting, tax and duty, listing and administrative fees, the Joint Lead Managers' offer management fees, prospectus design and printing, advertising, marketing, share registry and other expenses). Costs of the Sale Offer will be paid from the proceeds arising from the issue of New Shares.

Service provider	\$'million
Joint lead managers	3.45
Legal consultants	0.65
Investigating accountants	0.35
ASX Listing Fees	0.31
Other expenses (tax, corporate advisory, marketing, public relations, share registry)	1.14
TOTAL (ex GST)	5.90

8. ADDITIONAL INFORMATION

The costs of the Offer are allocated between the Sale Offer of existing Shares totalling \$2.6 million (or 10% of \$26.0 million), and the issue of additional New Shares totalling \$3.3 million (or 10% of \$33.0 million).

The amounts paid to Joint Lead Managers include the costs associated with the Sale Offer of 16.7 million Shares from Existing Shareholders, as well as the costs associated with the 21.1 million additional New Shares issued.

Costs of legal consultants, investigating accountants, and other expenses are slightly higher than typical as the Company essentially completed the marketing process in September 2023 and October 2023 before deciding to defer until the capital market conditions improved and as a consequence a number of costs have effectively been duplicated in the listing process.

Costs of the Sale Offer will be paid from the proceeds arising from the issue of New Shares.

8.15 Continuous Disclosure Obligations

Like all listed companies, the Company will be a “disclosing entity” (as defined in section 111AC of the Corporations Act) and, as such, will be subject to regular reporting and disclosure obligations. The Company will be required to continuously disclose to the market any information it has to the market which a reasonable person would expect to have a material effect on the price or the value of the Shares (unless a relevant exception to disclosure applies). Price sensitive information will be publicly released through ASX before it is otherwise disclosed to Shareholders and market participants. Distribution of other information to Shareholders and market participants will also be managed through disclosure to ASX. In addition, the Company will post this information on its website after ASX confirms that an announcement has been made, with the aim of making the information readily accessible to the widest audience.

8.16 Consents

Each of the parties listed below in this Section 8.16, each a consenting party, to the maximum extent permitted by law, expressly disclaims all liabilities in respect of, makes no representations regarding and takes no responsibility, for any statements in or omissions from this Prospectus, other than the reference to its name in the form and context in which it is named and a statement or report included in this Prospectus with its consent as specified below.

Each of the parties listed below has given and has not, at the time of lodgement of this Prospectus with ASIC, withdrawn its written consent to the inclusion of statements in this Prospectus that are specified below in the form and context in which the statements appear:

- (a) Morgans Corporate Limited has given, and has not withdrawn prior to the lodgement of this Prospectus with ASIC, its written consent to be named in this Prospectus as a Joint Lead Manager and Underwriter in the form and context in which it is named.
- (b) Unified Capital Partners Pty Ltd has given, and has not withdrawn prior to the lodgement of this Prospectus with ASIC, its written consent to be named in this Prospectus as a Joint Lead Manager and Underwriter in the form and context in which it is named.
- (c) Shaw and Partners Limited has given, and has not withdrawn prior to the lodgement of this Prospectus with ASIC, its written consent to be named in this Prospectus as a Joint Lead Manager in the form and context in which it is named.
- (d) Thomson Geer has given, and has not withdrawn prior to the lodgement of this Prospectus with ASIC, its written consent to be named in this Prospectus as Australian legal adviser (other than in relation to taxation matters) to the Company in relation to the Offer in the form and context in which it is named.
- (e) Grant Thornton Corporate Finance Pty Ltd has given, and has not withdrawn prior to the lodgement of this Prospectus with ASIC, its written consent to be named in this Prospectus as Investigating Accountant to the Company in relation to the Financial Information in the form and context in which it is named and to the inclusion of its Investigating Accountant’s Report on the Financial Information set out in Appendix A in the form and context in which it appears in this Prospectus.
- (f) Grant Thornton Australia Limited has given, and has not withdrawn prior to the lodgement of this Prospectus with ASIC, its written consent to be named in this Prospectus as tax adviser to the Company in the form and context in which it is so named.
- (g) Grant Thornton Audit Pty Ltd has given, and has not withdrawn prior to the lodgement of this Prospectus with ASIC, its written consent to be named in this Prospectus as auditor to the Company in the form and context in which it is so named.

-
- (h) Equity & Advisory Limited has given, and has not withdrawn prior to the lodgement of this Prospectus with ASIC, its written consent to be named in this Prospectus as corporate adviser to the Company in the form and context in which it is so named.
 - (i) Link Market Services Limited has given, and has not withdrawn prior to the lodgement of this Prospectus with ASIC, its written consent to be named in this Prospectus as Share Registry of the Company in the form and context in which it is named. Link Market Services Limited has had no involvement in the preparation of any part of this Prospectus other than being named as Share Registry to the Company. Link Market Services Limited has not authorised or caused the issue of, and expressly disclaims and takes no responsibility for, any part of the Prospectus.
 - (j) Bis Oxford Economics Pty Ltd has given, and has not withdrawn prior to the lodgement of this Prospectus with ASIC, its written consent to the inclusion in this Prospectus of all information and statements relating to, made by, or said to be based on statements by Bis Oxford Economics Pty Ltd in each case in the form and context as they appear in the Prospectus.

8.17 Governing law

This Prospectus and the contracts that arise from the acceptance of the Applications and bids under the Prospectus are governed by the laws applicable in Western Australia and each Applicant submits to the exclusive jurisdiction of the courts of Western Australia.

8.18 Statement of Directors

This Prospectus is authorised by the Company and SaleCo and lodged with ASIC pursuant to section 718 of the Corporations Act.

Each of the Directors of the Company and SaleCo has consented to the lodgement of this Prospectus with ASIC, in accordance with section 720 of the Corporations Act and has not withdrawn that consent.

This Prospectus is signed for and on behalf of Tasma Limited and Tasma SaleCo Limited by Stephen Young.

Founder and Managing Director

Dated: 28 March 2024



9. GLOSSARY

Term	Meaning
\$	Australian dollars unless otherwise stated.
\$m	million of Australian dollars unless otherwise stated.
Admission	the admission of the Company to the Official List.
Applicant	a person who submits an Application.
Application	an application made to subscribe for Shares offered under this Prospectus.
Application Form	the application form attached to or accompanying this Prospectus.
Application Monies	the amount of money accompanying an Application Form submitted by an Applicant.
ASIC	the Australian Securities and Investments Commission.
AWST	Australian Western Standard Time.
ASX	ASX Limited (ABN 98 008 624 691) or, as the context requires, the financial market operated by it.
ASX Listing Rules or Listing Rules	the listing rules of ASX.
ASX Recommendations	the fourth edition of ASX Corporate Governance Council's Corporate Governance Principles and Recommendations.
ASX Settlement Operating Rules	the settlement rules of the securities clearing house which operates CHES.
Board or Board of Directors	the board of Directors of the Company.
Borrower	has the meaning given in Section 8.7(d)(i).
Brill Lane Property	has the meaning given in Section 7.6(a).
Broker	any ASX participating organisation selected by the Joint Lead Managers and the Company to act as a broker for the Offer.
Broker Firm Offer	the offer of Shares under this Prospectus to Australian and New Zealand resident retail clients of participating Brokers who have received a firm allocation from their Broker, as detailed in Section 4.2.
Business Day	a day on which trading takes place on the stock market of ASX.
CAGR	compounding annual growth rate.
CHES	Clearing House Electronic Subregister System, operated in accordance with the ASX Listing Rules and the ASX Settlement Operating Rules.
Closing Date	the date on which the Offer is expected to close, being Wednesday, 10 April 2024 in respect of the Retail Offer. These dates may be varied without prior notice.
Company, we, us, our or Tasma	Tasma Limited ACN 088 588 425.
Completion	the date on which Shares are issued or transferred to successful Applicants in accordance with the terms of the Offer.
Constitution	the Company's constitution as at the Prospectus Date.
Corporations Act	the <i>Corporations Act 2001</i> (Cth).
Dingo Business	has the meaning given in Section 8.7(d)(v).
Dingo Corporation	has the meaning given in Section 8.7(d)(v).
Directors	the directors of the Company.
EBIT	earnings before interest and tax.
EBITDA	earnings before interest, tax, depreciation and amortisation.

9. GLOSSARY

Term	Meaning
Escrow Deed	the escrow deeds entered into between the Company and the holders of Escrowed Shares as described in Sections 4.14 and 8.6.
Escrow Period	the relevant period commencing on Completion and ending on the applicable dates set out in Section 8.6.
Escrowed Shares	the Shares which are subject to voluntary escrow arrangements as set out in Section 8.6.
Existing Shareholders	those persons holding Shares as at the Prospectus Date.
Expiry Date	5:00pm (AWST) on that date which is thirteen (13) months after the Prospectus Date.
Exposure Period	the seven-day period after the Prospectus Date, which may be extended by ASIC for up to an additional seven days.
Financial Information	Historical Financial Information and Forecast Financial Information collectively described in Section 5.
FMA	facility management agreement.
Focus Industry Sectors	has the meaning given in Section 2.1.
Forecast Financial Information	Statutory Forecast Financial Information and Pro Forma Forecast Financial Information.
Group or Tasma Group	the Company and its subsidiaries.
Group Company	a member of the Tasma Group.
GST	goods and services tax.
HIN	Holder Identification Number for CHESS.
Historical Financial Information	Statutory Historical Financial Information and Pro Forma Historical Financial Information.
HOA	has the meaning given in Section 8.7(d)(v).
Hurdles	has the meaning given in Section 7.2(g).
Incentive Plans	has the meaning given in Section 7.2(g).
Institutional Investors	<p>investors who are:</p> <ul style="list-style-type: none"> persons in Australia who are wholesale clients under section 761G of the Corporations Act and either 'professional investors' or 'sophisticated investors' under sections 708(11) and 708(8) of the Corporations Act; and institutional investors in certain other jurisdictions, as agreed by the Company and the Joint Lead Managers to whom offers of Shares may lawfully be made without the need for a lodged or registered prospectus or other form of disclosure document or filing with, or approval by, any governmental agency (except one with which the Company is willing in its discretion to comply), <p>provided that in each case such investors are not in the United States.</p>
Institutional Offer	the offer of Shares under this Prospectus to Institutional Investors in Australia (and certain other jurisdictions in the world), as detailed in Section 4.2.
Investigating Accountant	Grant Thornton Corporate Finance Pty Ltd.
Investigating Accountant's Report	the report provided by the Investigating Accountant in Appendix A.
IPO or Offer	the offer under this Prospectus of New Shares and Sale Shares.
Joint Lead Managers	Morgans Corporate Limited ABN 32 010 539 607, Unified Capital Partners Pty Ltd ABN 80 666 560 050 and Shaw and Partners Limited ABN 24 003 221 583.
Lender	has the meaning given in Section 8.7(d)(i).
Listing	the commencement of trading in Shares on the Official List of the ASX.
LTI	lost time injury.

Term	Meaning
LTI Plan	has the meaning given in Section 7.2(g).
Majority Sellers	has the meaning given in Section 8.7(d)(iv).
MSA	means master service agreements.
New Shares	the new Shares offered for subscription under the Offer as set out in this Prospectus.
Offer	the offer of Shares under this Prospectus.
Offer Information Line	1800 830 977 between 8:30am and 5:30pm (AWST), Monday to Friday excluding public holidays.
Offer Period	the period commencing from the Opening Date and ending on the Closing Date.
Offer Price	\$1.56 per Share.
Official List	the official list of ASX.
Official Quotation	quotation on the Official List.
Opening Date	the opening date for the Offer, being Thursday, 28 March 2024.
Option	an option to acquire a Share.
Option Plan	has the meaning given in Section 7.2(g).
Oxford Economics	Bis Oxford Economics Pty Ltd ACN 060 358 689.
Participant	has the meaning given in Section 7.2(g).
Performance Rights	has the meaning given in Section 7.2(g).
Priority Offer	the offer of Shares under this Prospectus to selected investors as detailed in Section 4.2.
Pro Forma Forecast Cash Flows	has the meaning given in Section 5.1.
Pro Forma Forecast Financial Information	the Pro Forma Forecast Income Statement and Pro Forma Forecast Cash Flows.
Pro Forma Forecast Income Statement	has the meaning given in Section 5.1.
Pro Forma Historical Cash Flows	has the meaning given in Section 5.1.
Pro Forma Historical Financial Information	the Pro Forma Historical Income Statements, Pro Forma Historical Statement of Financial Position and Pro Forma Historical Cash Flows.
Pro Forma Historical Income Statements	has the meaning given in Section 5.1.
Pro Forma Historical Statement of Financial Position	has the meaning given in Section 5.1.
Prospectus	this document (including the electronic form of this Prospectus) and any supplementary or replacement prospectus in relation to this document.
Prospectus Date	the date on which the Prospectus was lodged with ASIC, being 28 March 2024.
Pryde Option	has the meaning given in Section 7.2(g).
Related Bodies Corporate	has the meaning given to it by section 50 of the Corporations Act.
Relevant Interest	has the meaning given in the Corporations Act.
Retail Offer	the Broker Firm Offer and the Priority Offer, as described in Section 4.2.
SaleCo	Tasmea SaleCo Limited ACN 670 255 875.
SaleCo Directors	the directors of SaleCo.
Sale Offer	has the meaning given in Section 4.1.

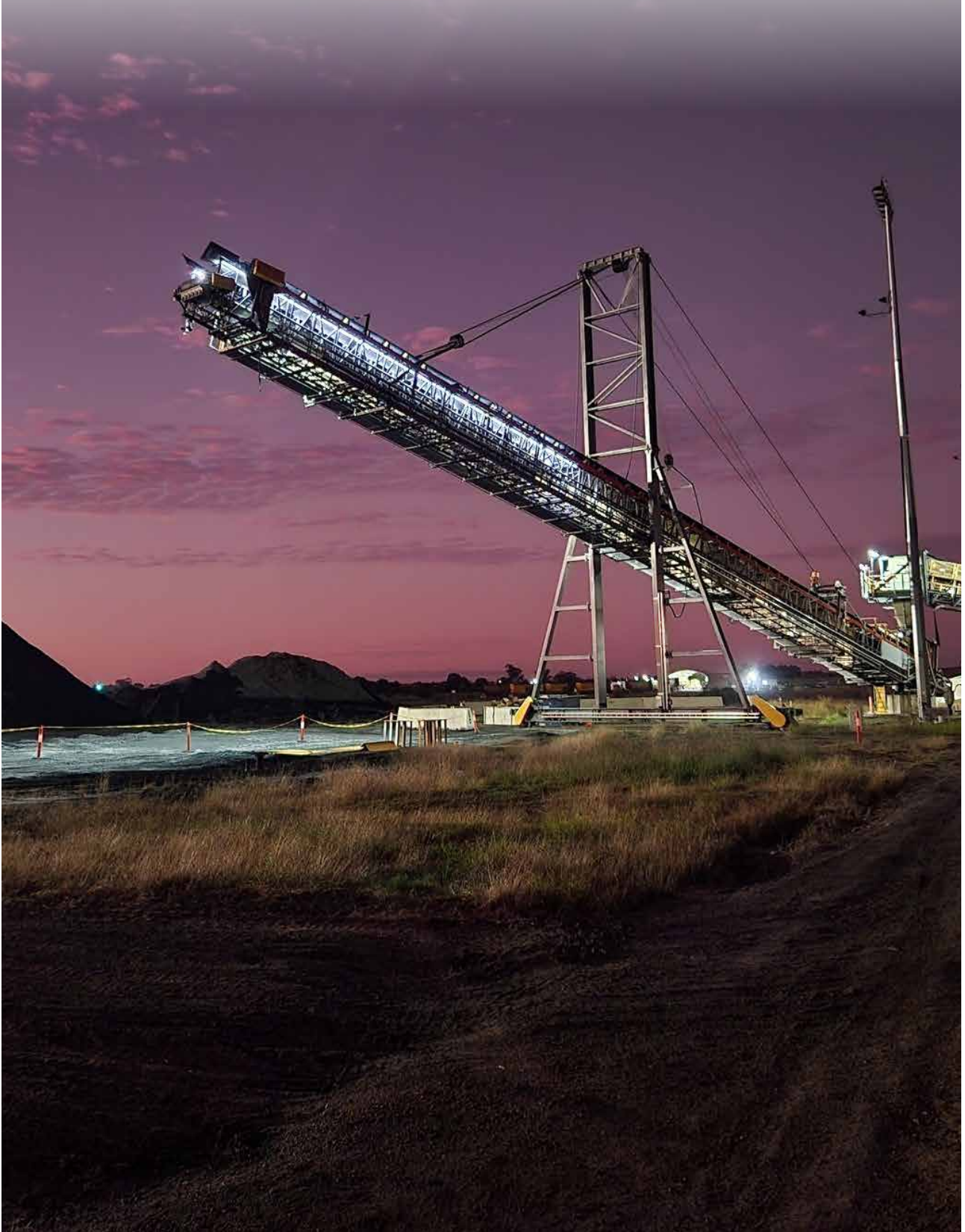
9. GLOSSARY

Term	Meaning
Sale Shares	the existing Shares offered for sale by SaleCo under the Sale Offer as set out in this Prospectus.
Section	a section of this Prospectus.
Selling Shareholders	the holders of Shares at the Prospectus Date who are intending to sell all or part of their existing shareholdings.
Share	a fully paid ordinary share in the Company.
Share Registry	Link Market Services Limited.
Shared Services Agreement	has the meaning given in Section 7.6(c).
Shareholders	the holders of Shares.
Shareholders Agreement	has the meaning given in Section 8.7(d)(iv).
Significant Accounting Policies	as described in Appendix B.
SRN	Securityholder Reference Number.
Statutory Forecast Cash Flows	has the meaning given in Section 5.1.
Statutory Forecast Financial Information	Statutory Forecast Income Statement and Statutory Forecast Cash Flows.
Statutory Forecast Income Statement	has the meaning given in Section 5.1.
Statutory Historical Cash Flows	has the meaning given in Section 5.1.
Statutory Historical Income Statements	has the meaning given in Section 5.1.
Statutory Historical Financial Information	the Statutory Historical Income Statements, Statutory Historical Statement of Financial Position and Statutory Historical Cash Flows.
Statutory Historical Statement of Financial Position	has the meaning given in Section 5.1.
Underwriters	Morgans Corporate Limited ABN 32 010 539 607 and Unified Capital Partners Pty Ltd ABN 80 666 560 050.
Underwriting Agreement	the underwriting agreement dated on or about the date of this Prospectus between the Company and the Underwriters, as described in Section 8.7(a).
Underwriting Fees	has the meaning given in Section 8.7(a).
US Securities Act	the U.S. Securities Act of 1933, as amended.
Yura Yarta	Yura Yarta Services Pty Ltd ACN 168 640 828.
Yura Yarta Board	the board of directors of Yura Yarta.



APPENDIX A

**INVESTIGATING
ACCOUNTANT'S REPORT**





The Board of Directors
Tasmea Limited
75 Verde Drive
Jandakot
WA 6164

The Board of Directors
Tasmea SaleCo Limited
75 Verde Drive
Jandakot
WA 6164

28 March 2024

Dear Directors

**Grant Thornton Corporate
Finance Pty Ltd**
Level 17
383 Kent Street
Sydney NSW 2000
Locked Bag Q800
Queen Victoria Building NSW
1230
T +61 2 8297 2400

INDEPENDENT LIMITED ASSURANCE REPORT AND FINANCIAL SERVICES GUIDE

Introduction

This report has been prepared at the request of the directors of Tasmea Limited and its controlled entities ("Tasmea" or "the Group") and Tasmea SaleCo Limited ("SaleCo") for inclusion in the Replacement Prospectus dated on or around 28 March 2024 (the "Prospectus") in respect of the initial public offering of fully paid ordinary shares in the Group ("the Offer") and admission to the Australian Securities Exchange.

Grant Thornton Corporate Finance Pty Ltd ("Grant Thornton Corporate Finance") holds an Australian Financial Services Licence (AFS Licence Number 247140). This report is both an Independent Limited Assurance Report, the scope of which is set out below, and a Financial Services Guide, as attached at **Appendix A**.

Expressions defined in the Prospectus have the same meaning in this report, unless otherwise specified.

Scope

Grant Thornton Corporate Finance has been engaged by the Directors to perform a limited assurance engagement in relation to the following statutory historical, pro forma historical and statutory forecast and pro forma forecast consolidated financial information of the Group included in Section 5 of the Prospectus:

ABN:59 003 265 987 ACN:003 265 987 AFSL:247140

Grant Thornton Corporate Finance Pty Ltd ABN 59 003 265 987 ACN 003 265 987 (holder of Australian Financial Services Licence No. 247140), a subsidiary or related entity of Grant Thornton Australia Limited ABN 41 127556 389. 'Grant Thornton' refers to the brand under which the Grant Thornton member firms provide assurance, tax and advisory services to their clients and/or refers to one or more member firms, as the context requires. Grant Thornton Australia Limited is a member firm of Grant Thornton International Ltd (GTIL). GTIL and the member firms are not a worldwide partnership. GTIL and each member firm is a separate legal entity. Services are delivered by the member firms. GTIL does not provide services to clients. GTIL and its member firms are not agents of, and do not obligate one another and are not liable for one another's acts or omissions. In the Australian context only, the use of the term 'Grant Thornton' may refer to Grant Thornton Australia Limited ABN 41 127 556 389 and its Australian subsidiaries and related entities. Liability limited by a scheme approved under Professional Standards Legislation.

www.grantthornton.com.au

#11478192v2

Statutory Consolidated Historical Financial Information

- The consolidated historical statement of profit and loss and other comprehensive income for the year ended 30 June 2021 (“FY21”), year ended 30 June 2022 (“FY22”), year ended 30 June 2023 (“FY23”) and the six months ended 31 December 2023 (“FY24H1”) with the six months ended 31 December 2022 comparative information (“FY23H1”) which are included in Section 5.3 of the Prospectus;
- The consolidated historical statement of cash flows for FY21, FY22, FY23 and FY24H1 with FY23H1 comparative information which are included in Section 5.5 of the Prospectus and
- The consolidated historical statement of financial position as at 31 December 2023 which is included in Section 5.6 of the Prospectus;

(together the “Statutory Consolidated Historical Financial Information”).

Pro Forma Consolidated Historical Financial Information

- The pro forma consolidated historical statement of profit or loss and other comprehensive income for FY21, FY22, FY23 and FY24H1 with FY23H1 comparative information which are included in Section 5.3 of the Prospectus together with a reconciliation to the Statutory Consolidated Financial Information which is included in Section 5.3 of the Prospectus;
- The pro forma consolidated historical statement of cash flows for FY21, FY22, FY23 and FY23H1 with FY23H1 comparative information which are included in Section 5.5 of the Prospectus together with a reconciliation to the Statutory Consolidated Financial Information which is included in Section 5.5 of the Prospectus; and
- The pro forma consolidated historical statement of financial position as at 31 December 2023 and the pro forma adjustments applied as at that date which is included in Section 5.6 of the Prospectus.

(together the “Pro Forma Consolidated Historical Financial Information”).

The Statutory Consolidated Historical Financial Information and Pro Forma Consolidated Historical Financial Information is presented in an abbreviated form, insofar as it does not include all of the presentation and disclosures required by Australian Accounting Standards and other mandatory professional reporting requirements applicable to general purpose financial reports prepared in accordance with the Corporations Act 2001 (Cth).

The Statutory Consolidated Historical Financial Information and Pro Forma Consolidated Historical Financial Information has been prepared for inclusion in the Prospectus and have been derived from the audited financial statements of Tasma Limited for FY21, FY22 and FY23 and the reviewed financial statements of Tasma for the six months ended 31 December 2023. The consolidated financial statements of Tasma Limited were prepared for the purpose of the Prospectus and were audited and reviewed by Grant Thornton Audit Pty Ltd in accordance with Australian Auditing Standards. The audit opinions and review conclusion issued to the Directors in respect of FY21, FY22, FY23 and FY24H1 were unmodified.

As described in Section 5.2 of the Prospectus the stated basis of preparation is the recognition and measurement principles contained in Australian Accounting Standards and the Group’s adopted accounting policies.

The Pro Forma Consolidated Historical Financial Information has been derived from the Statutory Consolidated Historical Financial Information after adjusting for the effects of the pro forma adjustments described in Section 5.3, 5.5 and 5.6 of the Prospectus (the “Pro Forma Adjustments”). The stated basis of preparation is the recognition and measurement principles contained in Australian Accounting Standards and the Group’s adopted accounting policies applied to the Pro Forma Adjustments as if those events or transactions had occurred as at the date of the Statutory Consolidated Historical Financial Information. Due to its nature, the Pro Forma Consolidated Historical Financial Information does not represent the Group’s actual or prospective financial position, financial performance or cash flows.

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Statutory Consolidated Forecast Financial Information

- the Statutory consolidated forecast statement of profit and loss and other comprehensive income for the year ending 30 June 2024 ("FY24") which is included in Section 5.3 of the Prospectus;
- the statutory consolidated forecast statement of cash flows for FY24 which is included in Section 5.5 of the Prospectus;

(together the "Statutory Consolidated Forecast Financial Information").

Pro Forma Consolidated Forecast Financial Information

- The pro forma consolidated statement of profit and loss and other comprehensive income for FY24 which is included in Section 5.3 of the Prospectus;
- the pro forma forecast consolidated statement of cash flows for FY24 which is included in Section 5.5 of the Prospectus;

(together the "Pro forma Consolidated Forecast Financial Information").

(the Statutory Consolidated Forecast Financial Information and the Pro forma Consolidated Forecast Financial Information together form the "Forecast Financial Information")

The Directors' best estimate assumptions underlying the Forecast Financial Information are described in Sections 5.8 of the Prospectus. The stated basis of preparation used in the preparation of the Forecast Financial Information is the recognition and measurement principles contained in Australian Accounting Standards and the Group's adopted accounting policies.

The Forecast Financial Information has been prepared by management and adopted by the Directors in order to provide prospective investors with a guide to the potential financial performance of the Group for FY24. There is a considerable degree of subjective judgement involved in preparing forecasts since they relate to events and transactions that have not yet occurred and may not occur. Actual results are likely to be different from the Forecast Financial Information since anticipated events or transactions frequently do not occur as expected and the variations may be material.

The Directors' best estimate assumptions on which the Forecast Financial Information is based relate to future events and/or transactions that management expect to occur and actions that management expect to take, and are also subject to uncertainties and contingencies, which are often outside the control of the Group. Evidence may be available to support the assumptions on which the Forecast Financial Information is based, however such evidence is generally future orientated and therefore speculative in nature. We are therefore not in a position to express a reasonable assurance conclusion on those best estimate assumptions, and accordingly, provide a lesser level of assurance on the reasonableness of the Directors' best estimate assumptions. We do not express any opinion on the achievability of the results. The limited assurance conclusion expressed in this report has been formed on the above basis.

Prospective investors should be aware of the material risks and uncertainties relating to an investment in the Group, which are detailed in Section 6 of the Prospectus, and the inherent uncertainty relating to the prospective financial information. Accordingly prospective investors should have regard to the investment risks set out in Section 6 of the Prospectus and sensitivities set out in Section 5.9 of the Prospectus. The sensitivity analysis set out in Section 5.9 of the Prospectus demonstrates the impacts on the Forecast Financial Information of changes in key assumptions. The Forecast Financial Information is therefore only indicative of the financial performance which may be achievable. We express no opinion as to whether the Forecast Financial Information will be achieved.

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Directors' Responsibility

The Directors are responsible for:

- the preparation and presentation of the Statutory Historical Financial Information and Pro Forma Historical Financial Information including the selection and determination of the pro forma adjustments made to the Statutory Historical Financial Information and included in the Pro Forma Historical Financial Information;
- the preparation of the Forecast Financial Information, including the best estimate assumptions underlying the Forecast Financial Information and the selection and determination of the pro forma adjustments made to the Statutory Forecast Financial Information and included in the Pro Forma Forecast Financial Information; and
- the information contained within the Prospectus.

This responsibility includes for the operation of such internal controls as the Directors determine are necessary to enable the preparation of the Statutory Historical Financial Information, Pro Forma Historical Financial Information and Forecast Financial Information that are free from material misstatement, whether due to fraud or error.

Our Responsibility

Our responsibility is to express a limited assurance conclusion on the Statutory Consolidated Historical Financial Information, Pro Forma Consolidated Historical Financial Information, Statutory Consolidated Forecast Financial Information and Pro Forma Consolidated Forecast Financial information, based on the procedures performed and evidence we have obtained. We have conducted our engagement in accordance with the Standard on Assurance Engagements ASAE 3450: "Assurance Engagements involving Corporate Fundraisings and/ or Prospective Financial Information".

A limited assurance engagement consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A limited assurance engagement is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain reasonable assurance that we would become aware of all significant matters that might be identified in a reasonable assurance engagement. Accordingly we will not express an audit opinion.

Our engagement did not involve updating or re-issuing any previously issued audit or review report of the Group used as a source of the financial information.

We have performed the following procedures as we, in our professional judgement, considered reasonable in the circumstances.

Statutory Consolidated Historical Financial Information and Pro Forma Consolidated Historical Financial Information

- consideration of work papers, accounting records and other documents, including those dealing with the extraction of the Statutory Consolidated Historical Financial Information from the audited financial statements of the Group covering FY21, FY22 and FY23 and the reviewed financial statements of the Group for FY24H1;
- consideration of the appropriateness of the pro forma adjustments described in Section 5.3, 5.5 and 5.6 of the Prospectus;
- enquiry of the Directors, management and others in relation to the Statutory Consolidated Historical Financial Information and Pro Forma Consolidated Historical Financial Information;
- analytical procedures applied to the Statutory Consolidated Historical Financial Information and Pro Forma Consolidated Historical Financial Information;

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- a review of the work papers, accounting records and other documents of the Group and its auditors; and
- a review of the consistency of the application of the stated basis of preparation and adopted accounting policies as described in the Prospectus used in the preparation of the Statutory Consolidated Historical Financial Information and Pro Forma Consolidated Historical Financial Information.

Forecast Financial Information

- enquiries, including discussions with management and Directors of the factors considered in determining the assumptions used in the preparation of the Forecast Financial Information;
- analytical and other review procedures we considered necessary including examination, on a test basis, of evidence supporting the assumptions, amounts and other disclosures in the Forecast Financial Information;
- review of the accounting policies adopted and used in the preparation of the Forecast Financial Information; and
- consideration of the pro forma adjustments applied to the Statutory Forecast Financial Information in preparing the Pro Forma Forecast Financial Information.

Our limited assurance engagement has not been carried out in accordance with auditing or other standards and practices generally accepted in any jurisdiction outside of Australia and accordingly should not be relied upon as if it had been carried out in accordance with those standards and practices.

We have assumed, and relied on representations from certain members of management of the Group, that all material information concerning the prospects and proposed operations of the Group has been disclosed to us and that the information provided to us for the purpose of our work is true, complete and accurate in all respects. We have no reason to believe that those representations are false.

Conclusion

Statutory Consolidated Historical Financial Information and Pro Forma Consolidated Historical Financial Information

Based on our limited assurance engagement, which is not an audit, nothing has come to our attention that causes us to believe that the Statutory Consolidated Historical Financial Information and Pro forma Consolidated Historical Financial Information is not presented fairly, in all material respects, in accordance with the stated basis of preparation and the pro forma adjustments as described in Section 5.3, 5.5 and Section 5.6 of the Prospectus.

Statutory Consolidated Forecast Financial Information

Based on our limited assurance engagement, which is not an audit, nothing has come to our attention that causes us to believe that:

- i. the Directors' best estimate assumptions used in the preparation of the Statutory Consolidated Forecast Financial Information do not provide reasonable grounds for the Statutory Consolidated Forecast Financial Information;
- ii. in all material respects, the Statutory Consolidated Forecast Financial Information:
 - a. is not prepared on the basis of the Directors' best estimate assumptions as described in Sections 5.8 of the Prospectus;
 - b. is not presented fairly in accordance with the stated basis of preparation, being the accounting policies adopted and used by the Group and the recognition and measurement principles in conformity with Australian Accounting Standards; and
- iii. the Statutory Consolidated Forecast Financial Information itself is unreasonable.

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Pro Forma Consolidated Forecast Financial Information

Based on our limited assurance engagement, which is not an audit, nothing has come to our attention that causes us to believe that:

- i. the Directors' best estimate assumptions used in the preparation of the Pro Forma Consolidated Forecast Financial Information do not provide reasonable grounds for the Pro Forma Consolidated Forecast Financial Information;
- ii. in all material respects, the Pro Forma Consolidated Forecast Financial Information:
 - a. is not prepared on the basis of the Directors' best estimate assumptions as described in Section 5.8 of the Prospectus;
 - b. is not presented fairly in accordance with the stated basis of preparation, being the accounting policies adopted and used by the Group and the recognition and measurement principles in conformity with Australian Accounting Standards, applied to the Statutory Consolidated Forecast Financial Information and the Pro Forma Adjustments as if those adjustments had occurred prior to 31 December 2023; and
- iii. the Pro Forma Consolidated Forecast Financial Information itself is unreasonable.

Restriction on Use

Without modifying our conclusion, we draw your attention to Section 5.2 of the Prospectus which describes the purpose of the Financial Information, being for inclusion in the Prospectus. As a result, this Independent Limited Assurance Report may not be suitable for another purpose.

Consent

Grant Thornton Corporate Finance consents to the inclusion of this Independent Limited Assurance Report in the Prospectus in the form and context in which it is included.

Liability

The liability of Grant Thornton Corporate Finance is limited to the inclusion of this report in the Prospectus. Grant Thornton Corporate Finance makes no representation regarding, and has no liability, for any other statements or other material in, or omissions from the Prospectus.

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Independence or Disclosure of Interest

Grant Thornton Corporate Finance does not have any pecuniary interests that could reasonably be regarded as being capable of affecting its ability to give an unbiased conclusion in this matter. Grant Thornton Corporate Finance will receive a professional fee for the preparation of this Independent Limited Assurance Report.

Yours faithfully,

GRANT THORNTON CORPORATE FINANCE PTY LTD



Neil Cooke

Partner

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Appendix A (Financial Services Guide)

This Financial Services Guide is dated 28 March 2024.

1 About us

Grant Thornton Corporate Finance Pty Ltd (ABN 59 003 265 987 and Australian Financial Services Licence no 247140) ("Grant Thornton Corporate Finance") has been engaged by Tasma Limited ("Tasma" or the "Company") and Tasma SaleCo Limited ("SaleCo") to provide general financial product advice in the form of an Independent Limited Assurance Report (the "Report") in relation to the offer of shares in the Company (the "Offer"). This report is included in the Replacement Prospectus dated on or about 28 March 2024 (the "Prospectus"). You have not engaged us directly but have been provided with a copy of the Report as a retail client because of your connection to the matters set out in the Report.

2 This Financial Services Guide

This Financial Services Guide (FSG) is designed to assist retail clients in their use of any general financial product advice contained in the report. This FSG contains information about Grant Thornton Corporate Finance generally, the financial services we are licensed to provide, the remuneration we may receive in connection with the preparation of the report, and how complaints against us will be dealt with.

3 Financial services we are licensed to provide

Our Australian financial services licence allows us to provide a broad range of services, including providing financial product advice in relation to various financial products such as securities and superannuation products and deal in a financial product by applying for, acquiring, varying or disposing of a financial product on behalf of another person in respect of securities and superannuation products.

ABN-59 003 265 987 ACN-003 265 987 AFSL-247140

Grant Thornton Corporate Finance Pty Ltd ABN 59 003 265 987 ACN 003 265 987 (holder of Australian Financial Services Licence No. 247140), a subsidiary or related entity of Grant Thornton Australia Limited ABN 41 127556 389. 'Grant Thornton' refers to the brand under which the Grant Thornton member firms provide assurance, tax and advisory services to their clients and/or refers to one or more member firms, as the context requires. Grant Thornton Australia Limited is a member firm of Grant Thornton International Ltd (GTIL). GTIL and the member firms are not a worldwide partnership. GTIL and each member firm is a separate legal entity. Services are delivered by the member firms. GTIL does not provide services to clients. GTIL and its member firms are not agents of, and do not obligate one another and are not liable for one another's acts or omissions. In the Australian context only, the use of the term 'Grant Thornton' may refer to Grant Thornton Australia Limited ABN 41 127 556 389 and its Australian subsidiaries and related entities. Liability limited by a scheme approved under Professional Standards Legislation.

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4 General financial product advice

The report contains only general financial product advice. It was prepared without taking into account your personal objectives, financial situation or needs. You should consider your own objectives, financial situation and needs when assessing the suitability of the Report to your situation. You may wish to obtain personal financial product advice from the holder of an Australian Financial Services Licence to assist you in this assessment.

Grant Thornton Corporate Finance does not accept instructions from retail clients. Grant Thornton Corporate Finance provides no financial services directly to retail clients and receives no remuneration from retail clients for financial services. Grant Thornton Corporate Finance does not provide any personal financial product advice directly to retail investors nor does it provide market-related advice directly to retail investors.

5 Fees, commissions and other benefits we may receive

Grant Thornton Corporate Finance charges fees to produce reports, including the report. These fees are negotiated and agreed with the entity which engages Grant Thornton Corporate Finance to provide a report. Fees are charged on an hourly basis or as a fixed amount depending on the terms of the agreement with the person who engages us. In the preparation of this report, Grant Thornton Corporate Finance will receive from the Company a fee of \$345,000 (excluding GST), which is based on commercial rates plus reimbursement of out-of-pocket expenses.

Partners, Directors, employees or associates of Grant Thornton Corporate Finance, or its related bodies corporate, may receive dividends, salary or wages from Grant Thornton Australia Ltd. None of those persons or entities receive non-monetary benefits in respect of, or that is attributable to, the provision of the services described in this FSG.

6 Referrals

Grant Thornton Corporate Finance - including its Partners, Directors, employees, associates and related bodies corporate - does not pay commissions or provide any other benefits to any person for referring customers to us in connection with the reports that we are licenced to provide.

7 Associations with issuers of financial products

Grant Thornton Corporate Finance and its Partners, Directors, employees or associates and related bodies corporate may from time to time have associations or relationships with the issuers of financial products. For example, Grant Thornton Australia Ltd may be the auditor of, or provide financial services to the issuer of a financial product and Grant Thornton Corporate Finance may provide financial services to the issuer of a financial product in the ordinary course of its business.

In the context of the report, Grant Thornton Corporate Finance considers that there are no such associations or relationships which influence in any way the services described in this FSG.

8 Independence

Grant Thornton Corporate Finance is required to be independent of Tasmae and SaleCo in order to provide this report. The following information in relation to the independence of Grant Thornton Corporate Finance is stated below.

"Grant Thornton Corporate Finance and its related entities do not have at the date of this report, and have not had within the previous two years, any shareholding in or other relationship with Tasmae (and associated entities) and SaleCo that could reasonably be regarded as capable of affecting its ability to provide an unbiased opinion in relation to the Offer.

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Grant Thornton Corporate Finance has no involvement with, or interest in the outcome of the Offer, other than the preparation of this report.

Grant Thornton Corporate Finance will receive a fee based on commercial rates for the preparation of this report. This fee is not contingent on the outcome of the Offer.

Grant Thornton Corporate Finance's out of pocket expenses in relation to the preparation of the report will be reimbursed. Grant Thornton Corporate Finance will receive no other benefit for the preparation of this report.

9 Complaints

Grant Thornton Corporate Finance has an internal complaint handling mechanism and is a member of the Australian Financial Complaints Authority (AFCA) (membership no. 11800). All complaints must be in writing and addressed to the National Head of Corporate Finance at Grant Thornton Corporate Finance. We will endeavour to resolve all complaints within 30 days of receiving the complaint. If the complaint has not been satisfactorily dealt with, the complaint can be referred to AFCA who can be contacted at:

Australian Financial Complaints Authority

GPO Box 3
Melbourne, VIC 3001
Telephone: 1800 931 678
Email: info@afca.org.au

Grant Thornton Corporate Finance is only responsible for the report and FSG. Grant Thornton Corporate Finance will not respond in any way that might involve any provision of financial product advice to any retail investor.

10 Compensation arrangements

Grant Thornton Corporate Finance has professional indemnity insurance cover under its professional indemnity insurance policy. This policy meets the compensation arrangement requirements of section 912B of the Corporations Act, 2001.

11 Contact Details

Grant Thornton Corporate Finance can be contacted by sending a letter to the following address:

National Head of Corporate Finance

Grant Thornton Corporate Finance Pty Ltd
Level 17, 383 Kent Street
Sydney, NSW, 2000

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APPENDIX B
**SIGNIFICANT
ACCOUNTING POLICIES**



APPENDIX B. SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of the Financial Information included in the Prospectus are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

1. Basis of preparation

The Group has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the periods presented.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

The Financial Information has been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the *Corporations Act 2001*. The Financial Information also complies with International Financial Reporting Standards as issued by the International Accounting Standards Board ('IASB').

2. Critical accounting judgements and estimates

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results.

The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

2.1 Estimation of useful lives of assets

The consolidated entity determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or non-strategic assets that have been abandoned or sold will be written off or written down.

2.2 Goodwill and other indefinite life intangible assets

The consolidated entity tests annually, or more frequently if events or changes in circumstances indicate impairment, whether goodwill and other indefinite life intangible assets have suffered any impairment, in accordance with the accounting policy. The recoverable amounts of cash-generating units have been determined based on value-in-use calculations. These calculations require the use of assumptions, including estimated discount rates based on the current cost of capital and growth rates of the estimated future cash flows.

2.3 Income tax

The consolidated entity is subject to income taxes in Australia. Significant judgement is required in determining the provision for income tax. There are many transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. The consolidated entity recognises liabilities for anticipated tax audit issues based on the consolidated entity's current understanding of the tax law. Where the final tax outcome of these matters is different from the carrying amounts, such differences will impact the current and deferred tax provisions in the period in which such determination is made.

2.4 Lease term

The lease term is a significant component in the measurement of both the right-of-use asset and lease liability. Judgement is exercised in determining whether there is reasonable certainty that an option to extend the lease or purchase the underlying asset will be exercised, or an option to terminate the lease will not be exercised, when ascertaining the periods to be included in the lease term. In determining the lease term, all facts and circumstances that create an economical incentive to exercise an extension option, or not to exercise a termination option, are considered at the lease commencement date. Factors considered may include the importance of the asset to the consolidated entity's operations; comparison of terms and conditions to prevailing market rates; incurrence of significant penalties; existence of significant leasehold improvements; and the costs and disruption to replace the asset. The consolidated entity reassesses whether it is reasonably certain to exercise an extension option, or not exercise a termination option, if there is a significant event or significant change in circumstances.

2.5 Business combinations

Business combinations are initially accounted for on a provisional basis. The fair value of assets acquired, liabilities and contingent liabilities assumed are initially estimated by the consolidated entity taking into consideration all available information at the reporting date. Fair value adjustments on the finalisation of the business combination accounting is retrospective, where applicable, to the period the combination occurred and may have an impact on the assets and liabilities, depreciation and amortisation reported.

2.6 Deferred consideration

The deferred consideration liability is the difference between the total purchase consideration, usually on an acquisition of a business combination, and the amounts paid or settled up to the reporting date, discounted to net present value. The consolidated entity applies provisional accounting for any business combination. Any reassessment of the liability during the earlier of the finalisation of the provisional accounting or 12 months from acquisition-date is adjusted for retrospectively as part of the provisional accounting rules in accordance with AASB 3 'Business Combinations'. Thereafter, at each reporting date, the deferred consideration liability is reassessed against revised estimates and any increase or decrease in the net present value of the liability will result in a corresponding gain or loss to profit or loss. The increase in the liability resulting from the passage of time is recognised as a finance cost.

3. Basis of consolidation

The Financial Information in this Prospectus incorporate the assets and liabilities of all subsidiaries of Tasmea as at the Prospectus Date and the results of all subsidiaries for the year then ended. Tasmea Limited and its subsidiaries together are referred to in these financial statements as the 'Group'.

Subsidiaries are all those entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between entities in the Group are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

The acquisition of subsidiaries is accounted for using the acquisition method of accounting. A change in ownership interest, without the loss of control, is accounted for as an equity transaction, where the difference between the consideration transferred and the book value of the share of the non-controlling interest acquired is recognised directly in equity attributable to the parent.

Non-controlling interest in the results and equity of subsidiaries are shown separately in the statement of comprehensive income, statement of financial position and statement of changes in equity of the Group. Losses incurred by the Group are attributed to the non-controlling interest in full, even if that results in a deficit balance.

Where the Group loses control over a subsidiary, it derecognises the assets including goodwill, liabilities and non-controlling interest in the subsidiary together with any cumulative translation differences recognised in equity. The Group recognises the fair value of the consideration received and the fair value of any investment retained together with any gain or loss in profit or loss.

4. Business combinations

The acquisition method of accounting is used to account for business combinations regardless of whether equity instruments or other assets are acquired.

The consideration transferred is the sum of the acquisition-date fair values of the assets transferred, equity instruments issued or liabilities incurred by the acquirer to former owners of the acquiree and the amount of any non-controlling interest in the acquiree. For each business combination, the non-controlling interest in the acquiree is measured at either fair value or at the proportionate share of the acquiree's identifiable net assets. All acquisition costs are expensed as incurred to profit or loss.

On the acquisition of a business, the consolidated entity assesses the financial assets acquired and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic conditions, the consolidated entity's operating or accounting policies and other pertinent conditions in existence at the acquisition-date.

Where the business combination is achieved in stages, the consolidated entity remeasures its previously held equity interest in the acquiree at the acquisition-date fair value and the difference between the fair value and the previous carrying amount is recognised in profit or loss.

Contingent consideration to be transferred by the acquirer is recognised at the acquisition-date fair value. Subsequent changes in the fair value of the contingent consideration classified as an asset or liability is recognised in profit or loss. Contingent consideration classified as equity is not remeasured and its subsequent settlement is accounted for within equity.

The difference between the acquisition-date fair value of assets acquired, liabilities assumed and any non-controlling interest in the acquiree and the fair value of the consideration transferred and the fair value of any pre-existing investment in the acquiree is recognised as goodwill. If the consideration transferred and the pre-existing fair value is less than the fair value of the identifiable net assets acquired, being a bargain purchase to the acquirer, the difference is recognised as a gain directly in profit or loss by the acquirer on the acquisition-date, but only after a reassessment of the identification and measurement of the net assets acquired, the non-controlling interest in the acquiree, if any, the consideration transferred and the acquirer's previously held equity interest in the acquirer.

Business combinations are initially accounted for on a provisional basis. The acquirer retrospectively adjusts the provisional amounts recognised and also recognises additional assets or liabilities during the measurement period, based on new information obtained about the facts and circumstances that existed at the acquisition-date. The measurement period ends on either the earlier of (i) 12 months from the date of the acquisition or (ii) when the acquirer receives all the information possible to determine fair value.

5. Revenue

The consolidated entity recognises revenue as follows:

Revenue from contracts with customers

Rendering of services

Revenue from a contract to provide services is recognised over time as the services are rendered based on either a fixed price or an hourly rate.

Maintenance and Sustainability Services

Services revenue is primarily generated from maintenance and other services supplied to infrastructure assets and facilities across different sectors as well as from contract mining services, mining assets and maintenance services.

The Group derives the majority of its revenue from performing maintenance and other services for a variety of different industries. Contracts entered can cover servicing of related assets which may involve various processes. These processes and activities tend to be highly inter-related and the Group provides a significant service of integration for these assets under contract. Where this is the case, these are taken to be one performance obligation. The total transaction price is allocated across each performance obligation.

The transaction price is allocated to each performance obligation based on contracted prices and revenue is recognised over time as the performance obligation is satisfied using an input method of actual costs incurred as a proportion of total anticipated contract costs as the most appropriate measure for progress towards satisfaction of the performance obligation. Payment is generally due within 30 – 90 days from providing the service.

5.1 Major projects

The Group derives a portion of its revenue from the construction and engineering of infrastructure projects. Contracts entered may be for the construction of one or several separate inter-linked pieces of infrastructure. The construction of each individual piece of infrastructure is generally taken to be one performance obligation. Where contracts are entered for the building of several projects the total transaction price is allocated across each project based on stand-alone selling prices. The transaction price is normally fixed at the start of the project. It is normal practice for contracts to include bonus and penalty elements based on timely construction or other performance criteria known as variable consideration.

The performance obligation is fulfilled over time and as such revenue is recognised over time using an input method of actual costs incurred as a proportion of total anticipated contract costs as the most appropriate measure for progress towards satisfaction of the performance obligation. As work is performed on the assets being constructed, they are controlled by the customer and generally have no alternative use to the Tasma Group, with the Group having a right to payment for performance to date. Generally, contracts identify various inter-linked activities required in the construction process.

Revenue is recognised on the measured output of each process based on appraisals that are agreed with the customer on a regular basis. Revenue earned is typically invoiced monthly or in some cases on achievement of milestones or to match major capital outlay. Invoices are paid on normal commercial terms, which may include the customer withholding a retention amount until finalisation of the construction and payment is generally due within 30 – 90 days of invoicing. Certain construction projects entered into receive payment prior to work being performed in which case revenue is deferred on the balance sheet.

Generally, construction and services contracts include defect and warranty periods following completion of the project. These obligations are not deemed to be separate performance obligations and therefore estimated and included in the total costs of the contracts. Where required, amounts are recognised accordingly in line with AASB 137 *Provisions, Contingent Liabilities and Contingent Assets*.

Loss-making contracts continue to be recognised under AASB 137 as onerous contracts. A provision is made for the difference between the expected cost of fulfilling a contract and the expected unearned portion of the transaction price where the forecast costs are greater than the forecast revenue.

5.2 Sale of goods

Revenue is recognised when the customer obtains control of goods which is deemed to satisfy the performance obligation at a point in time at a fixed price and payment is generally due within 30 – 90 days of delivery. Some contracts provide customers with a right of return, which give rise to variable consideration subject to constraint.

5.3 Other revenue

Other revenue is recognised when it is received or when the right to receive payment is established. Common types of other revenue are outlined below:

Contract modifications – When a modification or variation to an existing contract is made, the Group considers whether the modification shall be accounted for as a separate contract, or as part of the existing unsatisfied performance obligations. This consideration includes whether the variation requires additional goods and services that are distinct and at the Group's stand-alone selling prices.

Contract costs (tender costs) – Costs incurred during the tender/bid process are expensed, unless they are incremental to obtaining the contract or where they are explicitly chargeable to the customer regardless of whether the contract is obtained. The Group applies the practical expedient available under AASB 15 and does not capitalise incremental costs of obtaining contracts if the amortisation period is one year or less.

Variable consideration – Variable consideration that is contingent on the Group's performance, including key performance payments, liquidated damages and abatements that offset revenue under the contract, is included in the transaction price only to the extent it is highly probable that a significant reversal in the amount of cumulative revenue will not occur when the uncertainty associated with the variable consideration is subsequently resolved.

6. Other income

6.1 Interest

Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

7. Income tax

The income tax expense or benefit for the period is the tax payable on that period's taxable income based on the applicable income tax rate for each jurisdiction, adjusted by the changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognised for prior periods, where applicable.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to be applied when the assets are recovered or liabilities are settled, based on those tax rates that are enacted or substantively enacted, except for:

- (a) When the deferred income tax asset or liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting nor taxable profits; or
- (b) When the taxable temporary difference is associated with interests in subsidiaries, associates or joint ventures, and the timing of the reversal can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

The carrying amount of recognised and unrecognised deferred tax assets are reviewed at each reporting date. Deferred tax assets recognised are reduced to the extent that it is no longer probable that future taxable profits will be available for the carrying amount to be recovered. Previously unrecognised deferred tax assets are recognised to the extent that it is probable that there are future taxable profits available to recover the asset.

Deferred tax assets and liabilities are offset only where there is a legally enforceable right to offset current tax assets against current tax liabilities and deferred tax assets against deferred tax liabilities; and they relate to the same taxable authority on either the same taxable entity or different taxable entities which intend to settle simultaneously.

Tasmea Limited (the 'head entity') and its wholly-owned Australian subsidiaries have formed an income tax consolidated group under the tax consolidation regime. The head entity and each subsidiary in the tax consolidated group continue to account for their own current and deferred tax amounts. The tax consolidated group has applied the 'separate taxpayer within group' approach in determining the appropriate amount of taxes to allocate to members of the tax consolidated group.

In addition to its own current and deferred tax amounts, the head entity also recognises the current tax liabilities (or assets) and the deferred tax assets arising from unused tax losses and unused tax credits assumed from each subsidiary in the tax consolidated group.

Assets or liabilities arising under tax funding agreements with the tax consolidated entities are recognised as amounts receivable from or payable to other entities in the tax consolidated group. The tax funding arrangement ensures that the intercompany charge equals the current tax liability or benefit of each tax consolidated group member, resulting in neither a contribution by the head entity to the subsidiaries nor a distribution by the subsidiaries to the head entity.

8 Inventory

Raw materials and finished goods are stated at the lower of cost and net realisable value on a 'first in first out' basis. Cost comprises of direct materials and delivery costs, direct labour, import duties and other taxes, and an appropriate proportion of variable and fixed overhead expenditure based on normal operating capacity. Costs of purchased inventory are determined after deducting rebates and discounts received or receivable.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

9. Contract assets and contract liabilities

9.1 Accounting policy for contract assets

Contract assets are recognised when the consolidated entity has transferred goods or services to the customer but where the consolidated entity is yet to establish an unconditional right to consideration. Contract assets are treated as financial assets for impairment purposes.

9.2 Accounting policy for contract liabilities and unearned income

Contract liabilities represent the consolidated entity's obligation to transfer goods or services to a customer and are recognised when a customer pays consideration, or when the consolidated entity recognises a receivable to reflect its unconditional right to consideration (whichever is earlier) before the consolidated entity has transferred the goods or services to the customer.

Unearned income relates to government grants received. Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as an expense offset over the periods that the costs, which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

10. Property, plant and equipment

Plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation is calculated on a straight-line basis to write off the net cost of each item of property, plant and equipment (excluding land) over their expected useful lives as follows:

Plant and equipment	4-20 years
Commercial vehicles & trucks	4-10 years
Office furniture and equipment	5-20 years
Leasehold improvements	Lease Term
Buildings	25 years

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

Leasehold improvements are depreciated over the unexpired period of the lease or the estimated useful life of the assets, whichever is shorter.

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the consolidated entity. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss.

11. Leases

11.1 Accounting policy for right-of-use assets

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the consolidated entity expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of-use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

The consolidated entity has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

11.2 Accounting policy for lease liabilities

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the consolidated entity's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of-use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

12. Intangibles

Intangible assets acquired as part of a business combination, other than goodwill, are initially measured at their fair value at the date of the acquisition. Intangible assets acquired separately are initially recognised at cost. Indefinite life intangible assets are not amortised and are subsequently measured at cost less any impairment. Finite life intangible assets are subsequently measured at cost less amortisation and any impairment. The gains or losses recognised in profit or loss arising from the derecognition of intangible assets are measured as the difference between net disposal proceeds and the carrying amount of the intangible asset. The method and useful lives of finite life intangible assets are reviewed annually. Changes in the expected pattern of consumption or useful life are accounted for prospectively by changing the amortisation method or period.

12.1 Goodwill

Goodwill arises on the acquisition of a business. Goodwill is not amortised. Instead, goodwill is tested annually for impairment, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Impairment losses on goodwill are taken to profit or loss and are not subsequently reversed.

12.2 Patents and trademarks

Significant costs associated with patents and trademarks are deferred and amortised on a straight-line basis over the period of their expected benefit, being their finite life of 10 years.

13. Impairment

Goodwill and other intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

14. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

14.1 Financial assets

(a) Initial recognition and measurement

Financial assets are classified, at initial recognition, as measured at amortised cost and fair value through profit or loss. The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under AASB 15.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

(b) Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- (i) Financial assets at amortised cost;
- (ii) Financial assets at fair value through profit or loss;
- (iii) Equity instruments at fair value through other comprehensive income; and
- (iv) Debt instruments at fair value through other comprehensive income.

The Group measures financial assets at amortised cost if both of the following conditions are met: (i) the financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and (ii) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired. The Group's financial assets at amortised cost includes trade receivables, and other non-current financial assets.

Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortised cost as described above, debt instruments may be designated at fair value through profit or loss on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in the statement of profit or loss.

(c) Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised when:

- (i) The rights to receive cash flows from the asset have expired or
- (ii) The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.
- (iii) When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of its continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.
- (iv) Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

(d) Financial liabilities

(i) Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, and derivative financial instruments.

(ii) Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

- (A) Financial liabilities at fair value through profit or loss. Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by AASB 9. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognised in the statement of profit or loss. Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in AASB 9 are satisfied. The Group has not designated any financial liability as at fair value through profit or loss.
- (B) Loans and borrowings. This is the category most relevant to the Group. This category generally applies to interest-bearing loans and borrowings. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit or loss.

(iii) Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

15. Provisions

15.1 Accounting policy for provisions

Provisions are recognised when the consolidated entity has a present (legal or constructive) obligation as a result of a past event, it is probable the consolidated entity will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. If the time value of money is material, provisions are discounted using a current pre-tax rate specific to the liability. The increase in the provision resulting from the passage of time is recognised as a finance cost.

15.2 Accounting policy for employee benefits

(a) Short-term employee benefits

Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

(b) Other long-term employee benefits

The liability for long service leave not expected to be settled within 12 months of the reporting date is measured at the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on high quality corporate bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

(c) Share-based payment transactions

The grant date fair value of options granted to employees is recognised as an employee expense, with a corresponding increase in equity, over the period that the employees become unconditionally entitled to the options. The amount recognised as an expense is adjusted to reflect the actual number of share options that vest, except for those that fail to vest due to market conditions not being met.

16. Share capital

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.



TASMEA LIMITED

ABN 22 088 588 425

Broker Code

Adviser Code

Broker Firm Offer Application Form

This is an Application Form for Shares in Tasmee Limited under the Broker Firm Offer on the terms set out in the Replacement Prospectus dated 28 March 2024. You may apply for a minimum of \$2,000 worth of Shares and multiples of \$500 worth of Shares thereafter. This Application Form and your cheque or bank draft must be received by your Broker by the deadline set out in their offer to you.

If you are in doubt as to how to deal with this Application Form, please contact your accountant, lawyer, stockbroker or other professional adviser. The Replacement Prospectus contains information relevant to a decision to invest in Shares and you should read the entire Replacement Prospectus carefully before applying for Shares.

Shares applied for

Price per Share

Application Monies

A

at

A\$1.56

B A\$

(minimum \$2,000 worth of Shares, thereafter in multiples of \$500 worth of Shares)

PLEASE COMPLETE YOUR DETAILS BELOW (refer overleaf for correct forms of registrable names)

Applicant #1

Surname/Company Name

C

Title

First Name

Middle Name

Joint Applicant #2

Surname

Title

First Name

Middle Name

Designated account e.g. <Super Fund> (or Joint Applicant #3)

TFN/ABN/Exemption Code

First Applicant

Joint Applicant #2

Joint Applicant #3

D

TFN/ABN type – if NOT an individual, please mark the appropriate box

Company

Partnership

Trust

Super Fund

PLEASE COMPLETE ADDRESS DETAILS

PO Box/RMB/Locked Bag/Care of (c-)/Property name/Building name (if applicable)

E

Unit Number/Level

Street Number

Street Name

Suburb/City or Town

State

Postcode

Email address (only for purpose of electronic communication of shareholder information)

CHESS HIN

F X

If you have a Broker Sponsored account and would like your securities to be allocated to this account, it is important that you enter your HIN at this step. Failure to do so will result in your securities being allocated to a new Issuer Sponsored account. You will not be able to change this until after the stock exchange listing takes place and you will need to request your broker to do this for you.

Telephone Number where you can be contacted during Business Hours

Contact Name (PRINT)

G

Cheques or bank drafts should be drawn up according to the instructions given by your Broker.

Cheque or Bank Draft Number

BSB

Account Number

H

Total Amount **A\$**

LODGEMENT INSTRUCTIONS

You must return your application so it is received by your Broker by the deadline set out in their offer to you.

TEA BRO001

Your Guide to the Application Form

Please complete all relevant white sections of the Application Form in BLOCK LETTERS, using black or blue ink. These instructions are cross-referenced to each section of the form.

The Shares to which this Application Form relates are Tasmea Limited ("TEA") Shares. Further details about the Shares are contained in the Replacement Prospectus dated 28 March 2024 issued by Tasmea Limited. While the Replacement Prospectus is current, Tasmea Limited will send paper copies of the Replacement Prospectus, any supplementary document and the Application Form, free of charge on request.

The Australian Securities and Investments Commission requires that a person who provides access to an electronic application form must provide access, by the same means and at the same time, to the relevant Replacement Prospectus. This Application Form is included in the Replacement Prospectus.

The Replacement Prospectus contains important information about investing in the Shares. You should read the Replacement Prospectus before applying for Shares.

- A** Insert the number of Shares you wish to apply for. The Application must be for a minimum of \$2,000 worth of Shares and thereafter in multiples of \$500 worth of Shares. You may be issued all of the Shares applied for or a lesser number.
- B** Insert the relevant amount of Application Monies. To calculate your Application Monies, multiply the number of Shares applied for by the issue price. Amounts should be in Australian dollars. Please make sure the amount of your cheque or bank draft equals this amount.
- C** Write the full name you wish to appear on the register of Shares. This must be either your own name or the name of a company. Up to three joint Applicants may register. You should refer to the table below for the correct registrable title.
- D** Enter your Tax File Number (TFN) or exemption category. Business enterprises may alternatively quote their Australian Business Number (ABN). Where applicable, please enter the TFN or ABN for each joint Applicant. Collection of TFN(s) and ABN(s) is authorised by taxation laws. Quotation of TFN(s) and ABN(s) is not compulsory and will not affect your Application. However, if these are not provided, Tasmea Limited will be required to deduct tax at the highest marginal rate of tax (including the Medicare Levy) from payments.
- E** Please enter your postal address for all correspondence. All communications to you from Tasmea Limited and the Share Registry will be mailed to the person(s) and address as shown. For joint Applicants, only one address can be entered.
- F** If you are already a CHESS participant or sponsored by a CHESS participant, write your Holder Identification Number (HIN) here. If the name or address recorded on CHESS for this HIN is different to the details given on this form, your Shares will be issued to Tasmea Limited's issuer sponsored subregister.
- G** Please enter your telephone number(s), area code and contact name in case we need to contact you in relation to your Application.
- H** Please complete the details of your cheque or bank draft in this section. The total amount of your cheque or bank draft should agree with the amount shown in section B.
- If you receive a firm allocation of Shares from your Broker make your cheque payable to your Broker in accordance with their instructions.

DECLARATIONS

By submitting this Application Form, you:

- Declare that the agreements, statements, declarations and acknowledgements contained in the following paragraphs are given for the benefit of the Company;
- Declare that you have received a copy of the Replacement Prospectus, either in printed or electronic form, and have read the Replacement Prospectus in full prior to applying for the Shares the subject of this Application Form;
- Declare that this Application Form and all details and statements made by you are complete and accurate;
- Agree to be issued and/or transferred any number of Shares pursuant to the Offer (including less than the number applied for pursuant to this Application Form);
- Agree and consent to the Company collecting, holding, using and disclosing your personal information;
- Acknowledge that if the Company accepts this Application Form, you may not withdraw it;
- Apply for, and agree to become the holder of, the number of Shares detailed next to the box on the first page of this Application Form (or a lower number allocated by the Company);
- Acknowledge that your Application may be rejected by the Company in its absolute discretion;
- Declare that you are over 18 years of age; and
- Agree to be bound by the constitution of the Company, as amended from time to time.

PERSONAL INFORMATION COLLECTION NOTIFICATION STATEMENT

Personal information about you is held on the public register in accordance with Chapter 2C of the *Corporations Act 2001*. For details about Link Group's personal information handling practices including collection, use and disclosure, how you may access and correct your personal information and raise privacy concerns, visit our website at www.linkmarketservices.com.au for a copy of the Link Group condensed privacy statement, or contact us by phone on +61 1800 830 977 (free call within Australia) 9am – 5pm (Sydney time) Monday to Friday (excluding public holidays) to request a copy of our complete privacy policy.

CORRECT FORMS OF REGISTRABLE NAMES

Note that ONLY legal entities are allowed to hold Shares. Applications must be in the name(s) of natural persons or companies. At least one full given name and the surname is required for each natural person. The name of the beneficiary or any other non-registrable name may be included by way of an account designation if completed exactly as described in the examples of correct forms below.

Type of Investor	Correct Form of Registration	Incorrect Form of Registration
Individual Use given names in full, not initials	Mrs Katherine Clare Edwards	K C Edwards
Company Use Company's full title, not abbreviations	Liz Biz Pty Ltd	Liz Biz P/L or Liz Biz Co.
Joint Holdings Use full and complete names	Mr Peter Paul Tranche & Ms Mary Orlando Tranche	Peter Paul & Mary Tranche
Trusts Use the trustee(s) personal name(s)	Mrs Alessandra Herbert Smith <Alessandra Smith A/C>	Alessandra Smith Family Trust
Deceased Estates Use the executor(s) personal name(s)	Ms Sophia Garnet Post & Mr Alexander Traverse Post <Est Harold Post A/C>	Estate of late Harold Post or Harold Post Deceased
Minor (a person under the age of 18 years) Use the name of a responsible adult with an appropriate designation	Mrs Sally Hamilton <Henry Hamilton>	Master Henry Hamilton
Partnerships Use the partners' personal names	Mr Frederick Samuel Smith & Mr Samuel Lawrence Smith <Fred Smith & Son A/C>	Fred Smith & Son
Long Names	Mr Hugh Adrian John Smith-Jones	Mr Hugh A J Smith Jones
Clubs/Unincorporated Bodies/Business Names Use office bearer(s) personal name(s)	Mr Alistair Edward Lilley <Vintage Wine Club A/C>	Vintage Wine Club
Superannuation Funds Use the name of the trustee of the fund	XYZ Pty Ltd <Super Fund A/C>	XYZ Pty Ltd Superannuation Fund

Put the name(s) of any joint Applicant(s) and/or account description using < > as indicated above in designated spaces at section C on the Application Form.



TASMEA LIMITED

ABN 22 088 588 425

Broker Code

Adviser Code

Priority Offer Application Form

This is an Application Form for Shares in Tasmea Limited under the Priority Offer on the terms set out in the Replacement Prospectus dated 28 March 2024. You may apply for a minimum of \$2,000 worth of Shares and multiples of \$500 worth of Shares thereafter. This Application Form and your cheque or bank draft must be received by **5:00pm (AWST) on 10 April 2024**.

If you are in doubt as to how to deal with this Application Form, please contact your accountant, lawyer, stockbroker or other professional adviser. The Replacement Prospectus contains information relevant to a decision to invest in Shares and you should read the entire Replacement Prospectus carefully before applying for Shares.

Shares applied for

Price per Share

Application Monies

A

at

A\$1.56

B A\$

(minimum \$2,000 worth of Shares, thereafter in multiples of \$500 worth of Shares)

PLEASE COMPLETE YOUR DETAILS BELOW (refer overleaf for correct forms of registrable names) **+**

Applicant #1

Surname/Company Name

C

Title

First Name

Middle Name

Joint Applicant #2

Surname

Title

First Name

Middle Name

Designated account e.g. <Super Fund> (or Joint Applicant #3)

TFN/ABN/Exemption Code

First Applicant

Joint Applicant #2

Joint Applicant #3

D

TFN/ABN type – if NOT an individual, please mark the appropriate box

Company

Partnership

Trust

Super Fund

PLEASE COMPLETE ADDRESS DETAILS

PO Box/RMB/Locked Bag/Care of (c-)/Property name/Building name (if applicable)

E

Unit Number/Level

Street Number

Street Name

Suburb/City or Town

State

Postcode

Email address (only for purpose of electronic communication of shareholder information)

CHESS HIN

F

+

If you have a Broker Sponsored account and would like your securities to be allocated to this account, it is important that you enter your HIN at this step. Failure to do so will result in your securities being allocated to a new Issuer Sponsored account. You will not be able to change this until after the stock exchange listing takes place and you will need to request your broker to do this for you.

Telephone Number where you can be contacted during Business Hours

Contact Name (PRINT)

G

Cheques or bank drafts should be made payable to “PCPL - ITF TASMEA LIMITED” in Australian currency and crossed “Not Negotiable”.

Cheque or Bank Draft Number

BSB

Account Number

H

Total Amount **A\$**

LODGEMENT INSTRUCTIONS

You must return your application so it is received before 5:00pm (AWST) on 10 April 2024 to:
Link Market Services Limited, Locked Bag A14, Sydney South NSW 1235.

TEA IPO001



Your Guide to the Application Form

Please complete all relevant white sections of the Application Form in BLOCK LETTERS, using black or blue ink. These instructions are cross-referenced to each section of the form.

The Shares to which this Application Form relates are Tasma Limited ("TEA") Shares. Further details about the shares are contained in the Replacement Prospectus dated 28 March 2024 issued by Tasma Limited. While the Replacement Prospectus is current, Tasma Limited will send paper copies of the Replacement Prospectus, any supplementary document and the Application Form, free of charge on request.

The Australian Securities and Investments Commission requires that a person who provides access to an electronic application form must provide access, by the same means and at the same time, to the relevant Replacement Prospectus. This Application Form is included in the Replacement Prospectus.

The Replacement Prospectus contains important information about investing in the Shares. You should read the Replacement Prospectus before applying for Shares.

- A** Insert the number of Shares you wish to apply for. The Application must be for a minimum of \$2,000 worth of Shares and thereafter in multiples of \$500 worth of Shares. You may be issued all of the Shares applied for or a lesser number.
- B** Insert the relevant amount of Application Monies. To calculate your Application Monies, multiply the number of Shares applied for by the issue price. Amounts should be in Australian dollars. Please make sure the amount of your cheque or bank draft equals this amount.
- C** Write the full name you wish to appear on the register of Shares. This must be either your own name or the name of a company. Up to three joint Applicants may register. You should refer to the table below for the correct registrable title.
- D** Enter your Tax File Number (TFN) or exemption category. Business enterprises may alternatively quote their Australian Business Number (ABN). Where applicable, please enter the TFN or ABN for each joint Applicant. Collection of TFN(s) and ABN(s) is authorised by taxation laws. Quotation of TFN(s) and ABN(s) is not compulsory and will not affect your Application. However, if these are not provided, Tasma Limited will be required to deduct tax at the highest marginal rate of tax (including the Medicare Levy) from payments.
- E** Please enter your postal address for all correspondence. All communications to you from Tasma Limited and the Share Registry will be mailed to the person(s) and address as shown. For joint Applicants, only one address can be entered.
- F** If you are already a CHES participant or sponsored by a CHES participant, write your Holder Identification Number (HIN) here. If the name or address recorded on CHES for this HIN is different to the details given on this form, your Shares will be issued to Tasma Limited's issuer sponsored subregister.
- G** Please enter your telephone number(s), area code and contact name in case we need to contact you in relation to your Application.
- H** Please complete the details of your cheque or bank draft in this section. The total amount of your cheque or bank draft should agree with the amount shown in section B. Make your cheque or bank draft payable to "PCPL - ITF TASMEA LIMITED" in Australian currency and cross it "Not Negotiable". Your cheque or bank draft must be drawn on an Australian bank. Sufficient cleared funds should be held in your account, as cheques returned unpaid are likely to result in your Application being rejected. If you receive a firm allocation of Shares from your Broker make your cheque payable to your Broker in accordance with their instructions.

LODGEMENT INSTRUCTIONS

This Application Form and your cheque or bank draft must be mailed so that it is received before 5:00pm (AWST) on 10 April 2024 at:

Mailing Address

Tasma Limited
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235

DECLARATIONS

By submitting this Application Form, you:

- Declare that the agreements, statements, declarations and acknowledgements contained in the following paragraphs are given for the benefit of the Company;
- Declare that you have received a copy of the Replacement Prospectus, either in printed or electronic form, and have read the Replacement Prospectus in full prior to applying for the Shares the subject of this Application Form;
- Declare that this Application Form and all details and statements made by you are complete and accurate;
- Agree to be issued and/or transferred any number of Shares pursuant to the Offer (including less than the number applied for pursuant to this Application Form);
- Agree and consent to the Company collecting, holding, using and disclosing your personal information;
- Acknowledge that if the Company accepts this Application Form, you may not withdraw it;
- Apply for, and agree to become the holder of, the number of Shares detailed next to the box on the first page of this Application Form (or a lower number allocated by the Company);
- Acknowledge that your Application may be rejected by the Company in its absolute discretion;
- Declare that you are over 18 years of age; and
- Agree to be bound by the constitution of the Company, as amended from time to time.

PERSONAL INFORMATION COLLECTION NOTIFICATION STATEMENT

Personal information about you is held on the public register in accordance with Chapter 2C of the *Corporations Act 2001*. For details about Link Group's personal information handling practices including collection, use and disclosure, how you may access and correct your personal information and raise privacy concerns, visit our website at www.linkmarketservices.com.au for a copy of the Link Group condensed privacy statement, or contact us by phone on +61 1800 830 977 (free call within Australia) 9am – 5pm (Sydney time) Monday to Friday (excluding public holidays) to request a copy of our complete privacy policy.

CORRECT FORMS OF REGISTRABLE NAMES

Note that ONLY legal entities are allowed to hold Shares. Applications must be in the name(s) of natural persons or companies. At least one full given name and the surname is required for each natural person. The name of the beneficiary or any other non-registrable name may be included by way of an account designation if completed exactly as described in the examples of correct forms below.

Type of Investor	Correct Form of Registration	Incorrect Form of Registration
Individual Use given names in full, not initials	Mrs Katherine Clare Edwards	K C Edwards
Company Use Company's full title, not abbreviations	Liz Biz Pty Ltd	Liz Biz P/L or Liz Biz Co.
Joint Holdings Use full and complete names	Mr Peter Paul Tranche & Ms Mary Orlando Tranche	Peter Paul & Mary Tranche
Trusts Use the trustee(s) personal name(s)	Mrs Alessandra Herbert Smith <Alessandra Smith A/C>	Alessandra Smith Family Trust
Deceased Estates Use the executor(s) personal name(s)	Ms Sophia Garnet Post & Mr Alexander Traverse Post <Est Harold Post A/C>	Estate of late Harold Post or Harold Post Deceased
Minor (a person under the age of 18 years) Use the name of a responsible adult with an appropriate designation	Mrs Sally Hamilton <Henry Hamilton>	Master Henry Hamilton
Partnerships Use the partners' personal names	Mr Frederick Samuel Smith & Mr Samuel Lawrence Smith <Fred Smith & Son A/C>	Fred Smith & Son
Long Names	Mr Hugh Adrian John Smith-Jones	Mr Hugh A J Smith Jones
Clubs/Unincorporated Bodies/Business Names Use office bearer(s) personal name(s)	Mr Alistair Edward Lilley <Vintage Wine Club A/C>	Vintage Wine Club
Superannuation Funds Use the name of the trustee of the fund	XYZ Pty Ltd <Super Fund A/C>	XYZ Pty Ltd Superannuation Fund

Put the name(s) of any joint Applicant(s) and/or account description using < > as indicated above in designated spaces at section C on the Application Form.

Company's registered office

Tasmea Limited

75 Verde Drive
Jandakot WA 6164

Joint Lead Managers & Underwriters

Unified Capital Partners Pty Ltd

Level 15, 74 Castlereagh Street
Sydney NSW 2000

Morgans Corporate Limited

Aurora Place
Level 21, 88 Phillip Street
Sydney NSW 2000

Joint Lead Manager

Shaw and Partners Limited

Level 7, Chifley Tower
2 Chifley Square
Sydney NSW 2000

Legal Advisor

Thomson Geer

Level 29, Central Park Tower
152-158 St Georges Terrace
Perth WA 6000

Corporate Advisor

Equity & Advisory Limited

Level 2, 170 Fullarton Road
Dulwich SA 5065

Investigating Accountant

Grant Thornton Corporate Finance Pty Ltd

Level 17, 33 Kent Street
Sydney NSW 2000

Auditor

Grant Thornton Audit Pty Ltd

Grant Thornton House
Level 3, 170 Frome Street
Adelaide SA 5000

Share Registry

Link Market Services Limited

Level 12, 680 George Street
Sydney NSW 2000

Offer Information Line

1800 830 977 between 8:30am and 5:30pm (AWST),
Monday to Friday

Company Website

<https://tasmea.com.au/>



tasmae.com.au

PROSPECTUS

TASMEA LIMITED | ACN 088 588 425

