

ASX Announcement

SUCCESSFUL COMPLETION OF THE INSTITUTIONAL ENTITLEMENT OFFER AND THE PLACEMENT

Highlights

- Terragen has successfully completed the institutional component of the Equity Raising, consisting of a placement (**Placement**) and fully underwritten 1 for 3.22 accelerated non-renounceable entitlement offer (**Entitlement Offer**) of new fully paid ordinary shares (**New Shares**) in Terragen announced on Thursday, 5 December 2024 (**Equity Raising**).
- The Placement received support from both existing and new eligible shareholders, raising approximately \$0.77m (before transaction costs) within its capacity under ASX Listing Rule 7.1.
- Approximately \$2.44 million (before transaction costs) was raised in the Institutional Entitlement Offer, with a take up rate of approximately 74% by eligible institutional shareholders.
- Funds raised under the Institutional Entitlement Offer and Placement will be used to fund scientific research and development as well as accelerate on global commercialisation opportunities, in addition to supporting working capital and transaction costs.
- The Retail Entitlement Offer opens Thursday 12 December 2024 to raise an additional approximately \$1.54 million (all of which is fully underwritten).

Coolum, Australia / 9 December 2024 – Australian research, development and commercialisation company Terragen Holdings Limited ("**Terragen**" or "**the Company**") is pleased to advise of the successful completion of the institutional component of the recently announced Equity Raising (see ASX announcement dated 5 December 2024). The institutional component was strongly supported by new and existing investors, resulting in the total gross proceeds of the Equity Raising being approximately \$4.76 million. The Institutional Offer and the Retail Entitlement Offer, defined below, are together known as the **Equity Raising**.

A total of approximately \$3.22 million was raised from the proposed issue of approximately 91.96 million new fully paid ordinary shares (**New Shares**) to institutional and sophisticated investors (**Institutional Offer**). The Institutional Offer is comprised of:

- the Placement of approximately 22.10 million New Shares, within Terragen's existing ASX Listing Rule 7.1 capacity; and
- the institutional component of the fully underwritten¹ 1-for-3.22 pro-rata accelerated non-renounceable entitlement offer (**Entitlement Offer**) (**Institutional Entitlement Offer**) that raised approximately \$2.44 million from the proposed issue of approximately 69.85 million New Shares.

¹ Refer to the investor presentation dated 5 December 2024 for a description of the terms and conditions of the underwriting arrangement.

The Institutional Offer, which opened on Thursday 5 December 2024 and closed at 5:00pm on Thursday 5 December 2024, was made at \$0.035 (**Offer Price**) per New Share, representing a 2.0% discount to the theoretical ex-rights price (**TERP**)².

The Institutional Entitlement Offer experienced a take-up rate of approximately 74% by eligible institutional shareholders. New Shares offered under the Institutional Offer and New Shares equivalent to the entitlements not taken up by institutional shareholders were offered via an institutional bookbuild process (**Institutional Bookbuild**).

New Shares to be issued under the Institutional Offer will rank equally in all respects with existing fully paid ordinary shares. Settlement of the Institutional Offer is scheduled to occur on Thursday 12 December 2024, with New Shares expected to be allotted on Friday 13 December 2024, and trading to commence on a normal settlement basis on the Australian Securities Exchange (**ASX**) on the following day.

Under the Institutional Entitlement Offer, Mr Scobie Ward (being a major shareholder and Director), subscribed to take up his full entitlement of approximately \$1.34 million which would result in his voting power increasing from 33.3% to 34.9% following the issue of the New Shares under the Institutional Offer. Mr Ward has also committed to act as a sub-underwriter of the Entitlement Offer which could see his voting power increase to approximately 39.8% if there were no participation in the retail component of the Entitlement Offer (**Retail Entitlement Offer**).

Further, sub underwriting commitments were received from:

- Ceres Capital Pty Ltd for \$50,000;
- Director, Mike Barry for \$50,000;
- Director, Richard Norton for \$20,000;
- Director, Andrew Guthrie for \$10,000; and
- CFO, Matthew Whyte for \$20,000.

Commencement of the Retail Entitlement Offer

The fully underwritten Retail Entitlement Offer will raise the balance of the Equity Raising of approximately \$1.54 million. The Retail Entitlement Offer is fully underwritten by Morgans Corporate Limited ACN 010 539 607 (**Morgans, Underwriter, or the Lead Manager**).

Eligible retail shareholders with a registered address in Australia or New Zealand as at 7.00pm (Sydney time) on Monday 9 December 2024 (**Record Date**), not being US persons or acting for the account or benefit of persons in the US (**Eligible Retail Shareholders**) will be invited to participate in the Retail Entitlement Offer at the same Offer Price and offer ratio as the Institutional Entitlement Offer.

The Retail Entitlement Offer will open at 9.00am (Sydney time) on Thursday 12 December 2024 and close at 5.00pm (Sydney time) on Thursday 16 January 2025.

In addition to each Eligible Retail Shareholder's entitlement under the Retail Entitlement Offer, Eligible Retail Shareholders will be offered the opportunity to apply for additional New Shares under a "top-up" facility

² Theoretical ex-rights price (**TERP**) is the theoretical price that Terragen shares should trade at immediately after the ex-rights date for the Entitlement Offer. It is a theoretical calculation only and the actual price at which Terragen shares trade immediately after the Entitlement Offer will depend on many factors and may not be equal to TERP. TERP is calculated by reference to Terragen's closing share price of \$0.036 on Wednesday 4 December 2024 and includes New Shares issued under the Entitlement Offer and Placement.

(Oversubscription Facility). Eligible Retail Shareholders are not assured of being allocated any New Shares in excess of their entitlement under the Oversubscription Facility. New Shares allocated under the Oversubscription Facility will be allocated in accordance with the allocation policy outlined in the Retail Offer Booklet. Terragen retains absolute discretion regarding allocation under the Oversubscription Facility.

If Eligible Retail Shareholders take no action, they will not be allocated New Shares and their entitlements will lapse. Eligible Retail Shareholders who do not take up their entitlements in full under the Retail Entitlement Offer will not receive any value or payment for those entitlements they do not take up. The Retail Entitlement Offer is non-renounceable and cannot be traded on ASX or any other exchange, nor can it be privately transferred.

The terms and conditions under which Eligible Retail Shareholders may participate in the Retail Entitlement Offer will be outlined in the Retail Offer Booklet, which is expected to be available to Eligible Retail Shareholders and available on the ASX website beginning Thursday, 12 December 2024.

Existing retail shareholders with a registered address outside Australia or New Zealand on the Record Date or who are acting for the account or benefit of persons in the United States will be ineligible to participate in the Retail Entitlement Offer (**Ineligible Retail Shareholders**). Determination of eligibility of investors for the purposes of the Retail Entitlement Offer is determined by reference to a number of matters, including legal and regulatory requirements, logistical and registry constraints and the discretion of Terragen (with the prior written agreement of the Lead Manager in their absolute discretion).

The Company has appointed Berne No 132 Nominees Pty Ltd (ACN 010 413 591), an authorised representative of Morgans Financial Limited (AFSL 235410) (**Nominee**), with ASIC consent, to act as a nominee for the purposes of section 615 of the *Corporations Act 2001* (Cth) and ASX Listing Rule 7.7.1, who will arrange for the sale of New Shares under the Retail Entitlement Offer which would otherwise have been available to Ineligible Retail Shareholders and remit any net proceeds (i.e. sale proceeds less brokerage and costs) from the sale of those New Shares to those Ineligible Retail Shareholders. There is no guarantee that any proceeds will be realised from the sale of the entitlements that would otherwise have been offered to Ineligible Retail Shareholders.

Indicative Equity Raising timetable

Event	Time and Date
Announcement of results of the Institutional Offer	Monday 9 December 2024
Trading Halt is lifted and Terragen shares recommence trading on ASX on an "ex-Entitlement basis"	
Record Date for Retail Entitlement Offer	7.00pm Monday 9 December 2024
Retail Entitlement Offer opens and dispatch of Retail Offer Booklet	Thursday 12 December 2024
Settlement of Institutional Offer	Thursday 12 December 2024
Allotment of New Shares issued under the Institutional Offer	Friday 13 December 2024
Normal trading of New Shares issued under the Institutional Offer	Monday, 16 December 2024

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Retail Entitlement Offer closes	5.00pm Thursday 16 January 2025
Results of the Retail Entitlement Offer announced to ASX	Tuesday 21 January 2025
Allotment of New Shares issued under the Retail Entitlement Offer	Thursday, 23 January 2025
Normal trading of New Shares issued under the Retail Entitlement Offer	Friday 24 January 2025
Holding statements for New Shares issued under the Retail Entitlement Offer despatched	Friday 24 January 2025

This timetable is indicative only and may be subject to change without notice to, or consultation with, you. Terragen reserves the right to amend any or all of these dates and times subject to the *Corporations Act 2001* (Cth), the ASX Listing Rules and other applicable laws. In particular, Terragen reserves the right to extend the closing date for the Retail Entitlement Offer, to accept late applications under the Retail Entitlement Offer (either generally or in particular cases) and to withdraw the Retail Entitlement Offer without prior notice. Any extension of the closing date for the Retail Entitlement Offer will have a consequential effect on the allotment date of New Shares. Terragen also reserves the right not to proceed with the Placement or the Entitlement Offer in whole or in part at any time prior to allotment and issue of the relevant New Shares. In that event, the relevant application monies (without interest) must be returned in full to applicants.

About Terragen

Terragen specialises in the development of biological products that improve animal and plant health for use in agriculture. Our proprietary research has led to the creation of innovative products that improve livestock and crop yields and deliver positive environmental outcomes, helping to decarbonise agriculture.

Currently, Terragen has two products available for sale across Australia and New Zealand, MYLO and Great Land Plus (GLP). MYLO is a probiotic feed supplement that increases average daily weight gain and reduces methane production. GLP is a plant bio-stimulant targeted for use in cropping that reduces reliance on chemical-based fertilisers, decreasing scope emissions. GLP also increases crop yields and soil organic carbon levels.

Further Information

Further details of the Equity Raising are set out in the investor presentation lodged on the ASX on 5 December 2024 (**Investor Presentation**). The Investor Presentation contains important information including key risks and foreign offer restrictions with respect to the Equity Raising. For other questions, you should consult your broker, solicitor, accountant, tax adviser, financial adviser, or other professional adviser.

We look forward to keeping the market updated with further material progress.

For further information, please contact:

Terragen Holdings Limited	Authorisation and Additional Information
Mike Barry Chair Mikeb@terrigen.com.au	This announcement was authorised by the Board of Directors of Terragen Holdings Limited
Richard Norton Managing Director and CEO RichardN@terrigen.com.au	

Important Notices

Forward looking statements

This announcement contains certain "forward-looking statements". The words "expect", "anticipate", "estimate", "intend", "believe", "guidance", "should", "could", "may", "will", "predict", "plan" and other similar expressions are intended to identify forward-looking statements. Indications of, and guidance on, future earnings and financial position and performance are also forward-looking statements. Forward-looking statements, opinions and estimates provided in this announcement are based on assumptions and contingencies that are subject to change without notice and involve known and unknown risks and uncertainties and other factors that are beyond the control of Terragen, its directors and management. This includes statements about market and industry trends, which are based on interpretations of current market conditions.

Forward-looking statements are provided as a general guide only and should not be relied upon as an indication or guarantee of future performance. Actual results, performance or achievements may differ materially from those expressed or implied in such statements and any projections and assumptions on which these statements are based. These statements may assume the success of Terragen's business strategies. The success of any of those strategies will be realised in the period for which the forward-looking statement may have been prepared or otherwise. Readers are cautioned not to place undue reliance on forward-looking statements and except as required by law or regulation, none of Terragen, its representatives or advisers assumes any obligation to update these forward-looking statements. No representation or warranty, express or implied, is made as to the accuracy, likelihood of achievement or reasonableness of any forecasts, prospects, returns or statements in relation to future matters contained in this announcement. The forward-looking statements are based on information available to Terragen as at the date of this announcement. Except as required by law or regulation (including the ASX Listing Rules), none of Terragen, its representatives or advisers undertakes any obligation to provide any additional or updated information whether as a result of a change in expectations or assumptions, new information, future events or results or otherwise. Indications of, and guidance or outlook on, future earnings or financial position or performance are also forward-looking statements.

Not an offer in the United States

This announcement has been prepared for publication in Australia and may not be released to US wire services or distributed in the United States. This announcement does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States or in any other jurisdiction in which such an offer would be illegal. Any securities described in this announcement have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended (the "**US Securities Act**") or the securities laws of any state or jurisdiction of the United States. Accordingly, the securities described in this announcement may not be offered or sold, directly or indirectly, in the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act and applicable securities laws of any state or other jurisdiction of the United States.

Own enquiries

Investors should make and rely upon their own enquiries before deciding to acquire or deal in Terragen securities.

Involvement of the Lead Manager

Neither the Lead Manager nor its related bodies corporate and affiliates, and each of its respective officers, directors, partners, employees, consultants, contractors, agents and advisers ("**Beneficiaries**"), have authorised, permitted or caused the issue or lodgement, submission, dispatch or provision of this announcement and nor do they make any recommendation as to whether any potential investor should participate in the Equity Raising. There is no statement in this announcement which is based on any statement made by the Lead Manager or any other Beneficiary. To the maximum extent permitted by law, the Lead Manager and the Beneficiaries expressly disclaim all liabilities (including for fault, negligence, or negligent misstatement) in respect of, and take no responsibility for, any part of this announcement, and make no representation or warranty (whether express or implied) regarding any part of this announcement, including as to the fairness, currency, accuracy, timeliness, reliability or completeness of any information in this announcement (including the accuracy, likelihood of achievement or reasonableness of any forecast returns, yields, future income or other statements in relation to future matters nor that the Information or this website contains all material information about Terragen or which a prospective investor may require in evaluating a possible investment in Terragen).

Neither the Lead Manager nor the Beneficiaries make any recommendation as to whether any potential investor should participate in the Equity Raising. Further, neither the Lead Manager or the Beneficiaries accept any fiduciary obligations to or duty of care to or relationship with any investor or potential investor in connection with the Equity Raising or otherwise, and by accessing this announcement each recipient expressly disclaims any such fiduciary relationship and agrees that it is responsible for making its own independent judgements with respect to the Equity Raising and any other transaction or other matter arising in connection with this announcement.

The Lead Manager and the Beneficiaries may, from time to time, have interests in the new securities under the Placement or other securities of Terragen, including providing corporate advisory or other financial advisory services to Terragen and/or managing the offering of such New Shares under the Equity Raising. Further, they may have long or short positions in, act as market maker or buy or sell those securities or associated derivatives as principal or agent. Such persons may receive fees or other benefits for engaging in these activities. A Beneficiary may act as a lender and/or counterparty to Terragen or its affiliates and may or now in the future provide financial accommodation or services to Terragen or its affiliates.

Determination of eligibility of investors

Determination of eligibility of investors for the purposes of the Equity Raising is determined by reference to a number of matters, including legal and regulatory requirements, logistical and registry constraints and the discretion of Terragen and/or the Lead Manager. To the maximum extent permitted by law, Terragen, the Lead Manager, and the Beneficiaries each disclaim any duty or liability (including, without limitation, any liability arising from fault, negligence or negligent misstatement) in respect of the exercise of that discretion or otherwise. The Lead Manager may rely on information provided by or on behalf of institutional investors in connection with managing, conducting or underwriting the Equity Raising without the Lead Manager or the Beneficiaries having independently verified that information and the Lead Manager and the Beneficiaries do not assume responsibility for the fairness, currency, accuracy, timeliness, reliability or completeness of the information (including the accuracy, likelihood of achievement or reasonableness of any forecast returns, yields, future income or other statements in relation to future matters nor that the Information or this website contains all material information about Terragen or which a prospective investor may require in evaluating a possible investment in Terragen).

General

This announcement is subject to the same “**Disclaimer**” that appears in the Investor Presentation released to the ASX with any necessary contextual changes.

Financial Data

Certain financial data included in this announcement is "non-IFRS financial information" under ASIC Regulatory Guide 230 Disclosing non-IFRS financial information published by ASIC and are not recognised under AAS and International Financial Reporting Standards (**IFRS**).

Non- IFRS measures in this announcement are not subject to audit. Readers are cautioned, therefore, not to place undue reliance on any non-IFRS financial information included in this announcement.