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ASX Announcement

RETAIL ENTITLEMENT OFFER OPENS AND DISPATCH OF RETAIL OFFER BOOKLET TO ELIGIBLE RETAIL SHAREHOLDERS

Coolum, Australia / 12 December 2024 – Australian research, development and commercialisation company Terragen Holdings Limited (“**Terragen**” or “**the Company**”) announced on Thursday 5 December 2024 the launch of an equity raising of new fully paid ordinary shares (**New Shares**) at an offer price of A\$0.035 per New Share (**Offer Price**).

The Equity Raising (defined below) is comprised of:

- a non-underwritten institutional placement of New Shares to raise gross proceeds of approximately A\$0.77 million (utilising ASX Listing Rule 7.1 capacity) to be conducted at the same time as the institutional component of the Entitlement Offer (**Placement**); and
- a fully underwritten¹ 1-for-3.22 pro rata accelerated non-renounceable entitlement offer of New Shares to raise gross proceeds of approximately A\$4.0 million (**Entitlement Offer**),

the Entitlement Offer and Placement are together the **Equity Raising**.

The Entitlement Offer consists of an entitlement offer to eligible institutional shareholders (**Institutional Entitlement Offer**), and an entitlement offer to eligible retail shareholders (**Retail Entitlement Offer**).

The Retail Entitlement Offer opens on Thursday, 12 December 2024 at 9:00am (AEDT). The Retail Entitlement Offer is expected to close at 5.00pm (AEDT) on Thursday, 16 January 2025 (unless extended).

Attached is a copy of the offer booklet for the Retail Entitlement Offer (**Retail Offer Booklet**) which will be made available to eligible retail shareholders either by email (if they have elected to receive electronic communications only), online or by post together with a personalised Entitlement and Acceptance Form. A copy of the Retail Offer Booklet is also accessible at <https://www2.asx.com.au>.

Also attached is a sample of a letter that will be made available to Terragen shareholders who are eligible to participate, notifying them of the Retail Entitlement Offer.

The Retail Offer Booklet and the Entitlement and Acceptance Form contain important information about the Retail Entitlement Offer, including how eligible shareholders can apply to participate in the Retail Entitlement Offer.

Shareholders can contact the Terragen offer information line on 1300 330 255 (within Australia) or +61 1300 330 255 (outside Australia) between 8.30am and 5.30pm (Sydney time) on Monday to Friday during the offer period.

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.

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

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.

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 document 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 document 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 document. The forward-looking statements are based on information available to Terragen as at the date of this document. 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 any other jurisdiction. Any securities described in this announcement have not been, and will not be, registered under the US Securities Act of 1933 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.

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

Terragen Holdings Limited

Unit 6, 41 Access Crescent, Coolumb, QLD, 4573, Australia
+61 1300 837 724 | <http://www.terrigen.com.au> | 36 073 892 636

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 document 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 document 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 document, and make no representation or warranty (whether express or implied) regarding any part of this document, including as to the fairness, currency, accuracy, timeliness, reliability or completeness of any information in this document (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 document 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 document. 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).



12 December 2024

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Dear Shareholder,

NOTIFICATION TO ELIGIBLE RETAIL SHAREHOLDERS

On 5 December 2024, Terragen Holdings Limited (**ASX:TGH**) ("**Terragen**" or "**the Company**") announced the launch of an equity raising of new fully paid ordinary shares (**New Shares**) at an offer price of A\$0.035 per New Share (**Offer Price**).

The Equity Raising (defined below) is comprised of:

- a non-underwritten institutional placement of New Shares to raise gross proceeds of approximately A\$0.77 million (utilising ASX Listing Rule 7.1 capacity) to be conducted at the same time as the institutional component of the Entitlement Offer (**Placement**); and
- a fully underwritten¹ 1-for-3.22 pro rata accelerated non-renounceable entitlement offer of New Shares to raise gross proceeds of approximately A\$4.0 million (**Entitlement Offer**),

the Entitlement Offer and Placement are together the **Equity Raising**.

It is expected that approximately 135.9 million New Shares will be issued under the Equity Raising (comprising approximately 36.8% of Terragen's existing issued capital). The Entitlement Offer is underwritten by Morgans Corporate Limited ACN 010 539 607 (**Morgans, Underwriter**, or the **Lead Manager**). The Placement is not underwritten.

The Entitlement Offer is being made without a prospectus or disclosure document in accordance with section 708AA of the *Corporations Act 2001* (Cth) (**Corporations Act**) as modified by *ASIC Corporations (Non-Traditional Rights Issues) Instrument 2016/84*.

The Entitlement Offer consists of an entitlement offer to eligible institutional shareholders (**Institutional Entitlement Offer**), and an entitlement offer to eligible retail shareholders (**Retail Entitlement Offer**).

The Institutional Entitlement Offer was conducted between 5 December 2024 and 6 December 2024, with the results announced on the ASX on Monday, 9 December 2024. The Institutional Entitlement Offer has raised approximately A\$2.45 million already (before costs). The Retail Entitlement Offer may raise up to a further approximately A\$1.54 million for the Company.

New Shares will rank equally in all respects with Terragen's existing shares. If an eligible shareholder's entitlement results in a fraction of a new share, the shareholder's entitlement will be rounded up to the nearest whole number.

An offer booklet for the Retail Entitlement Offer (**Retail Offer Booklet**) will be lodged with the ASX and made available to 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 persons in the United States or acting for the account or benefit of persons in the United States (**Eligible Retail Shareholders**) on Thursday, 12 December 2024.

You are an Eligible Retail Shareholder as at the Record Date

As an Eligible Retail Shareholder, you are offered an allocation of 1 New Share for every 3.22 Terragen shares that you held as at the Record Date (**Entitlement**) if (and only if) application monies are received via BPAY®

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

prior to the closing date of the Retail Entitlement Offer in accordance with the Retail Offer Booklet and your personalised Entitlement and Acceptance Form (**Entitlement and Acceptance Form**).²

In addition, Eligible Retail Shareholders who take up their Entitlement in full may also apply for additional New Shares (**Additional Shares**) in excess of their Entitlement under the oversubscription facility (**Oversubscription Facility**) (which will occur if fewer than all of the New Shares are taken up under the Entitlement Offer), subject to any scale-back.

Any Additional Shares under the Oversubscription Facility will be offered at the Offer Price.

- (a) Additional Shares will be allocated to any Eligible Retail Shareholders who apply for Additional Shares under the Oversubscription Facility. In the event:
- Eligible Retail Shareholders apply for Additional Shares in an aggregate amount that is less than the Additional Shares that are available, the Company shall allocate Additional Shares as per the requested amount, noting however that Additional Shares will not be issued to any applicant if, in the view of the directors of the Company (**Directors**), to do so will result in a breach of the ASX Listing Rules (**Listing Rules**), the Corporations Act or any other applicable law.
 - Eligible Retail Shareholders apply for more Additional Shares than are available, the Company will scale back acceptances of Additional Shares on a pro-rata basis (such that the entire Additional Shares are allocated), noting however that Additional Shares will not be issued to any applicant if, in the view of the Directors, to do so will result in a breach of the Listing Rules, the Corporations Act or any other applicable law. Should this occur, any Additional Shares that cannot be allocated to such applicant will be re-allocated to applicants that can acquire the Additional Shares on a pro-rata basis.
- (b) If, following the allocation in paragraph (a), there remains a shortfall, those unallocated Shares will be allocated by Terragen to the Underwriter and consequently the sub-underwriters.

Refer to the allocation policy in section 4.5 of the Retail Offer Booklet for further detail.

The Offer Price of A\$0.035 per New Share represents a:

- 2.0% discount to the theoretical ex-rights price (TERP)³ of A\$0.036; and
- 2.8% discount to the last close price of Terragen shares of A\$0.036 on Wednesday 4 December 2024.

How to obtain a copy of the Retail Offer Booklet and your personalised Entitlement and Acceptance Form

The Entitlement Offer is now open and closes **at 5.00pm (Sydney time) on Thursday, 16 January 2025** (unless extended).

This letter provides you with instructions on how to obtain a copy of the Retail Offer Booklet and your personalised Entitlement and Acceptance Form.

How to obtain a copy of the Retail Offer Booklet and your personalised Entitlement and Acceptance Form

1. Go to <https://events.miraql.com/tgh-offer> to view the Retail Offer Booklet. You should read this document carefully and in full before deciding whether to participate.

² If you do not have an account that supports BPAY® transactions, eligible shareholders can contact the Offer Information Line 1300 330 255 (within Australia) or +61 1300 330 255 (outside Australia). The Offer Information Line operate between 8.30am and 5.30pm (Sydney time), Monday to Friday during the offer period.

³ 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 A\$0.036 on Wednesday 4 December 2024 and includes New Shares issued under the Entitlement Offer and Placement.

2. Go to <https://events.miraqle.com/tgh-offer> and follow the steps below to access your personalised Entitlement and Acceptance Form:

- a. Click on "Single holding" on the left hand side of the page;
- b. Enter your HIN/SRN and your postcode or country (if overseas);
- c. Select Terragen Holdings Limited from the drop down and proceed to the next page; and
- d. Click on Documents at the top of the page and in the drop down select **Entitlement Acceptances**.

Alternatively, you may request a hard copy of the Retail Offer Booklet and your personalised Entitlement and Acceptance Form free of charge by contacting the Terragen Offer Information Line on 1300 330 255 (within Australia) or +61 1300 330 255 (outside Australia) (**Offer Information Line**) between 8.30am and 5.30pm (Sydney time) on Monday to Friday during the offer period.

Terragen encourages you to access the Retail Offer Booklet online.

The Entitlement Offer is scheduled to close at **5.00pm (Sydney time) on Thursday, 16 January 2025** (unless extended). Payment must be received before this time.

You should read the Retail Offer Booklet carefully and in its entirety before deciding whether to participate in the Retail Entitlement Offer.

Actions required by Eligible Retail Shareholders

Your Entitlement is shown on the personalised Entitlement and Acceptance Form that accompanies the Retail Offer Booklet which can be accessed as detailed above.

The choices available to Eligible Retail Shareholders are described in the Retail Offer Booklet. In summary, Eligible Retail Shareholders may:

- (a) take up their Entitlement in full, or take up all of their Entitlement and apply for Additional Shares;
- (b) take up part of their Entitlement and allow the balance to lapse; or
- (c) take no action and allow all of their Entitlement to lapse.

For further detail, see section 4 of the Retail Offer Booklet.

If you wish to take up all or part of your Entitlement (and, if applicable, apply for Additional Shares), please pay your application monies via BPAY® by following the instructions set out in your personalised Entitlement and Acceptance Form by no later than **5.00pm (Sydney time) on Thursday, 16 January 2025**.

Questions

If you have any questions in relation to the above, please contact the Terragen offer information line on 1300 330 255 (within Australia) or +61 1300 330 255 outside Australia) between 8.30am and 5.30pm (Sydney time) on Monday to Friday during the offer period.

On behalf of the Board, I invite you to consider this investment opportunity and thank you for your continued support.

Yours sincerely,



Mike Barry
Chair
Terragen Holdings Limited

Important information

Forward looking statements

This document 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 document 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.

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Not an offer in the United States

This document has been prepared for publication in Australia and may not be released to US wire services or distributed in the United States. This document 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 document 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 document 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 document 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 document 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 document, and make no representation or warranty (whether express or implied) regarding any part of this document, including as to the fairness, currency, accuracy, timeliness, reliability or completeness of any information in this document (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 document 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 document. 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).



Terragen Holdings Limited

ACN 073 892 636

Retail Offer Booklet

For a fully underwritten accelerated non-renounceable pro-rata entitlement offer of 1 New Share for every 3.22 Shares held by Eligible Retail Shareholders at the Record Date (i.e., 7:00pm Monday, 9 December 2024) at an issue price of A\$0.035 per New Share to raise approximately A\$4.0 million.

The retail entitlement offer opens on Thursday, 12 December 2024 and closes at 5.00 pm (Sydney time) on Thursday, 16 January 2025. Valid acceptances must be received before that time.

Please read the instructions in this Retail Offer Booklet and the accompanying Entitlement and Acceptance Form regarding the acceptance of your entitlement under the Entitlement Offer.

This is an important document that requires your immediate attention and should be read in its entirety. If you are in doubt about what to do, you should consult your stockbroker, accountant, lawyer or other professional adviser.

This Retail Offer Booklet is not a prospectus. It does not contain all of the information that an investor would find in a prospectus and has not been lodged with ASIC.

This Retail Offer Booklet may not be released to US wire services or distributed in the United States.

Important notice

This Retail Offer Booklet has been issued by Terragen Holdings Limited ACN 073 892 636 (**Terragen**).

This Retail Offer Booklet is dated Thursday, 12 December 2024 and relates to the Retail Entitlement Offer, which is part of the Entitlement Offer by Terragen. Capitalised terms in this section have the meaning given to them in this Retail Offer Booklet.

The Retail Entitlement Offer is made pursuant to section 708AA of the *Corporations Act 2001* (Cth) (**Corporations Act**) (as notionally modified by *ASIC Corporations (Non-Traditional Rights Issues) Instrument 2016/84* and *ASIC Corporations (Disregarding Technical Relief) Instrument 2016/73*) for the offer of New Shares without disclosure to investors under a prospectus.

This Retail Offer Booklet is not a prospectus or a product disclosure statement under the Corporations Act and has not been lodged with ASIC. This Retail Offer Booklet does not contain all of the information which would be required to be disclosed in a prospectus or product disclosure statement. As a result, it is important for you to read and understand the publicly available information in relation to Terragen and the Entitlement Offer (e.g. the information available on Terragen's website at www.Terragen.com or on ASX's website at www.asx.com.au) prior to deciding whether to accept your Entitlement and apply for New Shares. The information in this Retail Offer Booklet does not constitute financial product advice and does not take into account your investment objectives, financial situation or particular needs.

Please contact your professional adviser or the Terragen Offer Information Line on 1300 330 255 (within Australia) or +61 1300 330 255 (outside Australia) between 8.30am and 5.30pm (Sydney time) on Monday to Friday if you have any questions.

This Retail Offer Booklet should be read in its entirety (including the accompanying Entitlement and Acceptance Form) before you decide to participate in the Retail Entitlement Offer. In particular, the Investor Presentation in Annexure A of this Retail Offer Booklet details important factors and risks that could affect the financial and operating performance of Terragen. Please refer to the 'Key risks' section of the Investor Presentation for details. When making an investment decision in connection with the Retail Entitlement Offer, it is essential that you consider these risk factors carefully in light of your individual personal circumstances, including financial and taxation issues (some of which have been outlined in Section 7 of this Retail Offer Booklet).

In addition to reading this Retail Offer Booklet in conjunction with Terragen's other periodic and continuous disclosure announcements including the Investor Presentation and Terragen's announcements to ASX and on its website, you should conduct your own independent review, investigations and analysis of Terragen and the New Shares and obtain any professional advice you require to evaluate the merits and risks of an investment in Terragen before making any investment decision.

By paying for your New Shares through BPAY® in accordance with the instructions on the Entitlement and Acceptance Form, you acknowledge that you have read this Retail Offer Booklet and you have acted in accordance with and agree to the terms of the Retail Entitlement Offer detailed in this Retail Offer Booklet.

Entitlement and Acceptance Form

The Entitlement and Acceptance Form accompanying this Retail Offer Booklet is important. To participate in the Entitlement Offer, you must complete the Entitlement and Acceptance Form and pay the Application Money before 5.00 pm (Sydney time) on Thursday, 16 January 2025.

Please refer to the instructions in Section 4 regarding the acceptance of your Entitlement.

No overseas offering

This Retail Offer Booklet and the accompanying Entitlement and Acceptance Form do not constitute an offer or invitation in any place in which, or to any person to whom, it would not be lawful to make such an offer or invitation. In particular, this Retail Offer Booklet does not constitute an offer to Ineligible Retail Shareholders.

This Retail Offer Booklet is not to be distributed in, and no offer of New Shares is to be made, in countries other than Australia and New Zealand.

No action has been taken to register or qualify the Retail Entitlement Offer, the Entitlements or the New Shares, or otherwise permit the public offering of the New Shares, in any jurisdiction other than Australia and New Zealand.

The distribution of this Retail Offer Booklet (including an electronic copy) outside Australia may be restricted by law. If you come into possession of the information in this Retail Offer Booklet, you should observe such restrictions. Any non-compliance with these restrictions may contravene applicable securities laws.

New Zealand

The New Shares are not being offered to the public within New Zealand other than to existing Shareholders of Terragen with registered addresses in New Zealand to whom the offer of these securities is being made in reliance on the Financial Markets Conduct (Incidental Offers) Exemption Notice 2021.

This Retail Offer Booklet has been prepared in compliance with Australian law and has not been registered, filed with or approved by any New Zealand regulatory authority under the *Financial Markets Conduct Act 2013*. This Retail Offer Booklet is not a product disclosure statement under New Zealand law and is not required to, and may not, contain all the information that a product disclosure statement under New Zealand law is required to contain.

United States

None of the information in this Retail Offer Booklet or the accompanying Entitlement and Acceptance Form constitutes an offer to sell, or the solicitation of an offer to buy, any securities in the United States. Neither this Retail Offer Booklet (or any part of it), the accompanying ASX Announcements and Investor Presentation nor the accompanying Entitlement and Acceptance Form may be distributed, directly or indirectly, to persons in the United States.

The New Shares have not been, and will not be, registered under the *U.S. Securities Act of 1933*, as amended (**U.S. Securities Act**) or the securities laws of any state or other jurisdiction of the United States. The New Shares 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 applicable securities laws of any state or other jurisdiction of the United States. The New Shares issued under the Retail Entitlement Offer may not be offered or sold, directly or indirectly, to persons in the United States.

Definitions

Defined terms used in this Retail Offer Booklet are contained in Section 8.

Taxation

There may be tax implications associated with participating in the Retail Entitlement Offer and receiving New Shares. Section 7 provides for a general guide to the Australian income tax, goods and services tax and stamp duty implications of the Retail Entitlement Offer for Australian Eligible Retail Shareholders.

The guide does not take account of the individual circumstances of particular Eligible Retail Shareholders and does not constitute tax advice. Terragen recommends that you consult your professional tax adviser in connection with the Retail Entitlement Offer.

Privacy

Terragen collects information about each Applicant for the purposes of processing the Application and, if the Application is successful, to administer the Applicant's shareholding in Terragen.

By paying for your New Shares through BPAY® in accordance with the instructions on the Entitlement and Acceptance Form, you will be providing personal information to Terragen (directly or through the Share Registry). Terragen collects, holds and will use that information to assess your Application. Terragen collects your personal information to process and administer your shareholding in Terragen and to provide related services to you. Terragen may disclose your personal information for purposes related to your shareholding in Terragen, including to the Share Registry, Terragen's related bodies corporate, agents, contractors and third-party service providers, including mailing houses and professional advisers, and to ASX and regulatory bodies. You can obtain access to personal information that Terragen holds about you. To make a request for access to your personal information held by (or on behalf of) Terragen, please contact Terragen through the Share Registry.

Governing law

This Retail Offer Booklet, the Retail Entitlement Offer and the contracts formed on acceptance of the Applications are governed by the law of Queensland, Australia. Each Applicant submits to the exclusive jurisdiction of the courts of Queensland, Australia.

No representations

No person is authorised to give any information or to make any representation in connection with the Retail Entitlement Offer that is

not contained in this Retail Offer Booklet. Any information or representation in connection with the Retail Entitlement Offer not contained in the Retail Offer Booklet may not be relied upon as having been authorised by Terragen or any of its officers.

Past performance

Investors should note that Terragen's past performance, including past share price performance, cannot be relied upon as an indicator of (and provides no guarantee or guidance as to) Terragen's future performance including Terragen's future financial position or share price performance.

Future performance

This Retail Offer Booklet contains certain forward-looking statements with respect to the financial performance and position, results of operations, projects and business of Terragen and certain plans and objectives of the management of Terragen. Forward-looking statements include those containing words such as 'anticipate', 'believe', 'expect', 'estimate', 'should', 'will', 'plan', 'could', 'may', 'intends', 'guidance', 'project', 'forecast', 'target', 'likely' and other similar expressions, and include, but are not limited to, statements regarding the outcome and effects of the Retail Entitlement Offer. Any forward-looking statements, opinions and estimates provided in this Retail Offer Booklet are based on assumptions and contingencies which are subject to change without notice and involve known and unknown risks and uncertainties and other factors that are beyond the control of Terragen and the Lead Manager Parties (as defined in Section 8). This includes any statements about market and industry trends, which are based on interpretations of current market conditions. Forward-looking statements may include projections, guidance on future revenues, earnings, dividends and estimates.

These forward-looking statements contained in this Retail Offer Booklet involve known and unknown risks, uncertainties and other factors which are subject to change without notice, and may involve significant elements of subjective judgement and assumptions as to future events which may or may not be correct.

You are strongly cautioned not to place undue reliance on forward-looking statements, particularly in light of the current economic climate.

Forward-looking statements are provided as a general guide only and there can be no assurance that actual outcomes will not differ materially from these statements. Neither Terragen, nor any other person, gives any representation, warranty, assurance or guarantee that the occurrence of the events expressed or implied in any forward-looking statement will actually occur. In particular, such forward-looking statements are subject to significant uncertainties and contingencies, many of which are outside the control of Terragen. A number of important factors could cause actual results or performance to differ materially from the forward-looking statements. Investors should consider the forward-looking statements contained in this Retail Offer Booklet in light of those disclosures.

The forward-looking statements are based on information available to Terragen as at the date of this Retail Offer Booklet. Except as required by law or regulation (including the ASX Listing Rules), Terragen is under no obligation to provide any additional or updated information whether as a result of new information, future events or results or otherwise.

The Lead Manager has not authorised, approved or verified any forward-looking statements.

Lead Manager

Morgans Corporate Limited ACN 010 539 607 (the **Lead Manager**) are acting as lead manager and underwriter of the Entitlement Offer and lead manager to the Placement. Neither the Lead Manager, nor any of its respective affiliates or related bodies corporate (as that term is defined in the Corporations Act), nor any of their respective directors, employees, officers, representatives, agents, partners, consultants and advisers (together the **Lead Manager Parties**), nor the advisers to Terragen or any other person, has authorised, permitted or caused the issue or lodgement, submission, dispatch or provision of this Retail Offer Booklet (or any other materials released by Terragen) and none of them makes or purports to make any statement in this Retail Offer Booklet and there is no statement in this Retail Offer Booklet which is based on any statement by any of them. The Lead Manager Parties may, from time to time, hold interests in the securities of, or earn brokerage, fees or other benefits from, Terragen.

Disclaimer

Determination of eligibility of investors for the purposes of the institutional or retail components of the 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 and the Lead Manager. To the maximum extent permitted by law, Terragen and the Lead Manager Parties disclaim any duty or liability (including for negligence) in respect of that determination and the exercise or otherwise of that discretion.

To the maximum extent permitted by law, the Lead Manager Parties disclaim all liability for any expenses, losses, damages or costs incurred by you as a result of your participation in the Retail Entitlement Offer and the information in this Retail Offer Booklet being inaccurate or due to information being omitted from this Retail Offer Booklet, whether by way of negligence or otherwise, and make no representation or warranty, express or implied, as to the currency, accuracy, reliability or completeness of the information in this Retail Offer Booklet.

The Lead Manager Parties take no responsibility for any part of this Retail Offer Booklet or any action taken by you on the basis of that information. To the maximum extent permitted by law, the Lead Manager Parties exclude and disclaim all liability (including, without limitation, any liability arising from fault or negligence on the part of any person) for any direct, indirect, consequential or contingent loss or damage whatsoever arising from the use of any part of this Retail Offer Booklet or otherwise arising in connection with it.

The Lead Manager Parties make no recommendation as to whether you or your related parties should participate in the Retail Entitlement Offer nor do they make any representations or warranties, express or implied, to you concerning the Entitlement Offer or any such information, and by paying for your New Shares through BPAY® in accordance with the instructions on the Entitlement and Acceptance Form, you represent, warrant and agree that you have not relied on any statements made by the Lead Manager Parties in relation to the New Shares or the Entitlement Offer generally.

The Lead Manager is a full-service financial institution engaged in various activities, which may include trading, financing, financial advisory, investment management, research, principal investment, hedging, market making, brokerage and other financial and non-financial activities including for which they have received or may receive customary fees and expenses. The Lead Manager is acting for and providing services to Terragen in relation to the Equity Raising and is not, and will not be, acting for or providing services to Terragen Shareholders or potential investors. The engagement of the Lead Manager is not intended to create any fiduciary obligations, agency or other relationship between the Lead Manager, Terragen, Terragen's Shareholders or potential investors.

Risks

Refer to the 'Key risks' section of the Investor Presentation included in Annexure A of this Retail Offer Booklet for a summary of general and specific risk factors that may affect Terragen. You should consider these risks carefully in light of your personal circumstances, including financial and taxation issues, before making an investment decision in connection with the Retail Entitlement Offer.

No cooling off

Cooling off rights do not apply to an investment in New Shares. You cannot withdraw an Application once it has been accepted.

Times and dates

Times and dates in this Retail Offer Booklet are indicative only and subject to change. All times and dates refer to Sydney time. Refer to the timetable in Section 1 of this Retail Offer Booklet for more details.

Currency

Unless otherwise stated, all dollar values in this Retail Offer Booklet are in Australian dollars (\$ or A\$).

Rounding

Any discrepancies between totals and sums and components in tables contained in this Retail Offer Booklet are due to rounding.

Trading New Shares

Terragen will have no responsibility and disclaims all liability (to the maximum extent permitted by law) to persons who trade New Shares they believe will be issued to them before they receive their holding statements, whether on the basis of confirmation of the allocation provided by Terragen or the Share Registry or otherwise, or who otherwise trade or purport to trade New Shares in error or which they do not hold or are not entitled to.

No Entitlements trading

Entitlements are non-renounceable and cannot be traded on ASX or any other exchange, nor can they be privately transferred.

Disclaimer of representations

No person is authorised to give any information, or to make any representation, in connection with the Retail Entitlement Offer that is not contained in this Retail Offer Booklet.

Any information or representation that is not in this Retail Offer Booklet may not be relied on as having been authorised by Terragen, its officers or its related bodies corporate in connection with the Retail Entitlement Offer.

If you are in any doubt as to these matters, you should first consult with your stockbroker, lawyer, accountant or other professional adviser.

Chair's letter

Dear Shareholder,

On behalf of Terragen Holdings Limited ACN 073 892 636 (**Terragen**), I am pleased to invite you to participate in a 1 for 3.22 accelerated non-renounceable pro rata entitlement offer of new ordinary shares in Terragen (**New Shares**) at an offer price of \$0.035 per New Share (**Offer Price**) to raise approximately \$4.0 million (**Entitlement Offer**) as announced on Thursday, 5 December 2024.

On Thursday, 5 December 2024, Terragen announced its intention to raise approximately \$5.0 million (before costs) through a placement to institutional investors (**Placement**) for approximately \$1.0 million and through an Entitlement Offer for approximately \$4.0 million (together, the **Equity Raising**).

The institutional component of the Entitlement Offer (**Institutional Entitlement Offer**) and the Placement were successfully completed before trading in our Shares recommenced on Monday, 9 December 2024 and raised approximately \$3.22 million in aggregate with:

- the Placement raising approximately \$0.77 million; and
- the Institutional Entitlement Offer raising approximately \$2.45 million,

bringing the total Equity Raising size to \$4.77 million.

This Retail Offer Booklet relates to the retail component of the Entitlement Offer (**Retail Entitlement Offer**).

Purpose of the Equity Raising

The proceeds of the Equity Raising will be used to provide management with added flexibility to support working capital and growth initiatives, including:

- Animal and plant based scientific research including commercial scale feedlot trials on lamb and beef;
- Research & development staff wages necessary to undertake the above activities;
- Product commercialisation costs including those associated with the procurement of, and global regulatory approvals for, commercial quantities of Dry MYLO as well as costs for education campaigns and partnerships to drive market penetration; and
- costs of the transaction.

Please refer to the Investor Presentation included in Annexure A of this Retail Offer Booklet for further information on Terragen and the Equity Raising

Retail Entitlement Offer

Under the Retail Entitlement Offer, Eligible Retail Shareholders have the opportunity to invest at the same price as the institutional investors who participated in the Placement and Institutional Entitlement Offer, being \$0.035 per New Share. The number of New Shares for which you are entitled to apply under the Retail Entitlement Offer (**Entitlement**) is set out in your personalised Entitlement and Acceptance Form that accompanies this Retail Offer Booklet.

Approximately 43.98 million New Shares will be issued under the Retail Entitlement Offer. New Shares will rank equally with Existing Shares in all respects from the date of quotation.

The Offer Price of \$0.035 per New Share represents:

- a 2.8% discount to Terragen's last closing price of \$0.036 on Wednesday, 3 December 2024 being the last trading day before the announcement of the Entitlement Offer; and

- a 2.0% discount to the theoretical ex-rights price (TERP)¹ of \$0.036 based on the last closing price before the Entitlement Offer was announced.

You also have the opportunity to apply for additional New Shares in excess of your Entitlement under the Oversubscription Facility.

The Entitlement Offer is non-renounceable and, therefore, your Entitlement will not be tradeable on ASX and is not otherwise transferable.

Underwriting and Sub-underwriting

The Entitlement Offer is to be fully underwritten by Morgans Corporate Limited ACN 010 539 607 (**Underwriter**). A summary of the key terms of the Underwriting Agreement is provided in Section 5.1 of this Offer Booklet.

Further, Mr Scobie Ward (being a Director and major Shareholder), Directors Mr Mike Barry, Mr Richard Norton, Mr Andrew Guthrie and Chief Financial Officer, Mr Matthew Whyte and Ceres Capital Pty Ltd have also agreed to act as sub-underwriters of the Entitlement Offer. It may be that other sub-underwriters will also be appointed, following the opening of the Retail Entitlement Offer.

Mr Scobie Ward has agreed to sub-underwrite the Entitlement Offer up to a maximum of \$1,389,305.

The impact of this underwriting on Mr Scobie Ward's percentage holding in the Company, as a major Shareholder will depend on the extent to which:

- Eligible Shareholders take up their Entitlements under the Retail Entitlement Offer;
- any shortfall is allocated to other Eligible Shareholders under the Oversubscription Facility of the Retail Entitlement Offer; and
- the take-up by Directors, Mr Mike Barry, Mr Richard Norton, Mr Andrew Guthrie and CFO, Mr Matthew Whyte, Ceres Capital Pty Ltd and any other sub-underwriters (**Other Sub-underwriters**).

Other sub-underwriters will be allocated in priority to Mr Scobie Ward.

In the unlikely event that no other Eligible Shareholders participate in the Retail Entitlement Offer or Oversubscription Facility, Mr Scobie Ward's relevant interest in the Company will increase from 33.3% to a maximum of 39.8% (assuming no Other Sub-underwriters are appointed other than Directors, Mr Mike Barry, Mr Richard Norton, Mr Andrew Guthrie and CFO, Mr Matthew Whyte and Ceres Capital Pty Ltd). Refer to Section 5.8 below for further information of the control impact of the Entitlement Offer.

Information included in this Retail Offer Booklet

This Retail Offer Booklet contains important information, including:

- Terragen's ASX announcements relating to the Equity Raising, including the Investor Presentation, which provides information about Terragen, the Equity Raising and key risks for you to consider;
- instructions on how to participate in the Retail Entitlement Offer if you choose to do so, and a timetable of key dates;
- information regarding the personalised Entitlement and Acceptance Form that accompanies this Retail Offer Booklet, which details your Entitlement and instructions on how to complete it; and
- instructions on how to take up all or part of your Entitlement, and additional New Shares in excess of your Entitlement under the Oversubscription Facility, via BPAY®.

¹ TERP is the theoretical price at which Terragen Shares should trade after the ex-date for the Entitlement Offer. TERP is calculated by reference to Terragen closing Share price of \$0.036 per share on Wednesday, 3 December 2024, being the last trading day prior to the announcement of the Entitlement Offer. TERP is a theoretical calculation only and the actual price at which Terragen Shares trade immediately after the ex-date of the Entitlement Offer will depend on many factors and may not be equal to TERP.

The Retail Entitlement Offer closes at **5.00pm (Sydney time) on Thursday, 16 January 2025.**

Instructions on how to apply are set out in this Retail Offer Booklet and your Entitlement and Acceptance Form. For further information regarding the Retail Entitlement Offer, call the Terragen Offer Information Line on 1300 330 255 (within Australia) or +61 1300 330 255 (outside Australia) between 8.30am to 5.30pm (Sydney time) Monday to Friday during the Retail Entitlement Offer period.

If you do not wish to take up any of your Entitlement, you do not have to take any action.

If you are uncertain about taking up your Entitlement you should consult your stockbroker, lawyer, accountant or other professional adviser to evaluate whether or not to participate in the Retail Entitlement Offer.

On behalf of the Directors and management team of Terragen, I invite you to consider this opportunity and thank you for your ongoing support of Terragen.

Yours faithfully

A handwritten signature in black ink, appearing to read 'Mike Barry', with a stylized flourish at the end.

Mike Barry
Chair
Terragen Holdings Limited

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1 Summary and key dates

1.1 Summary of the Equity Raising

Placement	
Offer Price	\$0.035 per New Share
Number of Shares	Approximately 22.1 million New Shares
Gross proceeds	Approximately \$0.77 million
Entitlement Offer	
Ratio	1 New Share for every 3.22 Existing Shares
Offer Price	\$0.035 per New Share
Number of Shares	Approximately 69.85 million New Shares under the Institutional Entitlement Offer and approximately 43.98 million New Shares under the Retail Entitlement Offer
Gross proceeds	Approximately \$4.0 million, comprising approximately \$2.45 million under the Institutional Entitlement Offer and approximately \$1.55 million under the Retail Entitlement Offer

1.2 Key dates

Activity	Date
Announcement of Entitlement Offer and Placement	Thursday, 5 December 2024
Institutional Entitlement Offer and Placement opens	Thursday, 5 December 2024
Institutional Entitlement Offer and Placement closes	Friday, 6 December 2024 (4:00pm)
Announcement of results of Institutional Entitlement Offer and Placement Shares recommence trading	Monday, 9 December 2024
Record Date for Entitlement Offer	7.00pm (Sydney time) Monday, 9 December 2024
Retail Entitlement Offer opens	Thursday, 12 December 2024
Retail Offer Booklet and Entitlement and Acceptance Form dispatched	Thursday, 12 December 2024
Allotment of New Shares under the Institutional Entitlement Offer and Placement	Friday, 13 December 2024
Commencement of trading of New Shares issued under the Institutional Entitlement Offer and Placement	Monday, 16 December 2024
Retail Entitlement Offer closes	5.00pm (Sydney time) Thursday, 16 January 2025
Results of the Retail Entitlement Offer announced to ASX	Tuesday, 21 January 2025
Allotment of New Shares under the Retail Entitlement Offer	Thursday, 23 January 2025 (Before noon)

Commencement of trading of New Shares issued under the Retail Entitlement Offer	Friday, 24 January 2025
Dispatch of holding statements for New Shares issued under the Retail Entitlement Offer	Friday, 24 January 2025

This timetable is indicative only and may change. Terragen reserves the right to amend any or all of these dates and times subject to the Corporations Act, 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 will have a consequential effect on the allotment date of New Shares. Terragen also reserves the right not to proceed with the Entitlement Offer in whole or in part at any time prior to allotment and issue of the New Shares. In that event, the relevant Application Money (without interest) will be returned in full to Applicants.

1.3 Enquiries

Terragen Offer Information Line: 1300 330 255 (within Australia) or +61 1300 330 255 (outside Australia) between 8.30am and 5.30pm (Sydney time) on Monday to Friday, before the Retail Entitlement Offer closes at 5.00pm (Sydney time) on Thursday, 16 January 2025. Alternatively, contact your stockbroker, lawyer, accountant or other professional adviser.

2 Summary of options available to you

If you are an Eligible Retail Shareholder, you may take one of the following actions:

- (a) take up all of your Entitlement only;
- (b) take up all of your Entitlement and also apply for additional New Shares under the Oversubscription Facility;
- (c) take up part of your Entitlement and allow the balance to lapse; or
- (d) do nothing, in which case your entire Entitlement will lapse and you will receive no value for those lapsed Entitlements.

The Retail Entitlement Offer closes at **5.00pm (Sydney time) on Thursday, 16 January 2025**.

If you are a retail Shareholder that is not an Eligible Retail Shareholder, you are an '**Ineligible Retail Shareholder**'. Ineligible Retail Shareholders are not entitled to participate in the Retail Entitlement Offer.

Options available to you	Key considerations
1 Take up all of your Entitlement	<ul style="list-style-type: none"> You may elect to purchase New Shares at the Offer Price for your full Entitlement (see Section 4 for instructions on how to take up your Entitlement). The New Shares will rank equally in all respects with Existing Shares. Your percentage shareholding in the Company will only be diluted as a result of the Placement.
2 Take up all of your Entitlement and also apply for additional New Shares in excess of your Entitlement under the Oversubscription Facility	<ul style="list-style-type: none"> If you take up all of your Entitlement, you may also apply for additional New Shares under the Oversubscription Facility at the Offer Price (see Section 4.2 for instructions on how to apply for additional New Shares). There is no guarantee that you will be allocated any additional New Shares under the Oversubscription Facility. Your percentage shareholding in the Company will only be diluted as a result of the Placement.
3 Take up part of your Entitlement	<p>You may elect to purchase some New Shares at the Offer Price, being less than your full Entitlement. If you do not take up your Entitlement in full:</p> <ul style="list-style-type: none"> those Entitlements not taken up will lapse and you will not receive any payment or value for them. Your Entitlement to participate in the Retail Entitlement Offer is non-renounceable, which means your Entitlements that are not taken up are non-transferrable and cannot be sold, traded on ASX or any other exchange, nor can they be privately transferred; you will not be entitled to apply for additional New Shares under the Oversubscription Facility; and you will have your percentage holding in Terragen reduced as a result of not participating in the Entitlement Offer to the fullest allowable extent. <p>Sections 4.3 and 4.5 for further information, including instructions on how to apply for part of your Entitlement.</p>

Options available to you	Key considerations
<p>4 Do nothing, in which case your Entitlement will lapse and you will receive no value for those lapsed Entitlements</p>	<p>If you do not take up your Entitlement:</p> <ul style="list-style-type: none"> • you will not be allocated New Shares and your Entitlements will lapse. Your Entitlement to participate in the Retail Entitlement Offer is non-renounceable, which means your Entitlements are non-transferrable and cannot be sold, traded on ASX or any other exchange, nor can they be privately transferred; and • you will have your percentage holding in Terragen reduced as a result of not participating in the Entitlement Offer. <p>See Sections 4.4 and 4.5 for further information.</p>

Please also note that if you are an Eligible Retail Shareholder who is a 'related party' in relation to Terragen (as that term is defined in the ASX Listing Rules) or are otherwise a person to whom Listing Rule 10.11 applies, you may apply to take up your Entitlement in part or in full without Shareholder approval being required, but may not apply for any additional New Shares under the Oversubscription Facility.

3 Overview of the Equity Raising

3.1 Overview

Terragen intends to raise approximately \$4.77 million by undertaking the Equity Raising. The Equity Raising comprises:

- (a) the Entitlement Offer pursuant to which Terragen is offering Eligible Shareholders the opportunity to apply for 1 New Share for every 3.22 Existing Shares held on the Record Date. The Offer Price per New Share is \$0.035. The Entitlement Offer is intended to raise approximately \$4.0 million, comprising approximately:
 - (i) \$2.45 million under the Institutional Entitlement Offer; and
 - (ii) \$1.55 million under the Retail Entitlement Offer; and
- (b) the Placement which is being undertaken in conjunction with the Entitlement Offer. The Placement raised approximately \$0.77 million at the same Offer Price per New Share as the Entitlement Offer.

This Retail Offer Booklet relates to the Retail Entitlement Offer to raise up to approximately \$1.55 million.

The Entitlement Offer is non-renounceable, which means that the Entitlements cannot be traded or otherwise transferred on ASX or any other exchange or privately. If you do not participate in the Entitlement Offer, you will not receive any value for your Entitlement.

Please refer to the ASX Announcements and the Investor Presentation² included in Annexure A of this Retail Offer Booklet for information on the rationale for the Equity Raising, the use of proceeds of the Equity Raising and the key risks associated with an investment in Terragen.

3.2 Institutional Entitlement Offer

Eligible Institutional Shareholders were given the opportunity to take up all or part of their Entitlements under the Institutional Entitlement Offer at the Offer Price of \$0.035 per New Share.

New Shares equivalent to the number not taken up by Eligible Institutional Shareholders under the Institutional Entitlement Offer, were offered to Eligible Institutional Shareholders who applied for New Shares in excess of their Entitlement, as well as to certain other institutional investors.

Terragen has obtained approval from ASIC to appoint Berne No 132 Nominees Pty Ltd (ACN 010 413 591), a related body corporate of the Underwriter (**Nominee**) as nominee for the purposes of Section 615 of the Corporations Act to sell New Shares which would otherwise have been available to Ineligible Institutional Shareholders had they been eligible to participate in the Entitlement Offer. The Nominee will arrange for the sale of the New Shares which would have been offered to the Ineligible Institutional Shareholders. The Company will arrange for the net proceeds of sale (if any), net of expenses, to be distributed to Ineligible Institutional Shareholders in proportion to their Entitlements.

The Institutional Entitlement Offer was successfully undertaken and closed on Friday, 6 December 2024 and raised approximately \$2.45 million. Please see Terragen's ASX announcement dated Monday, 9 December 2024 for further information about the outcome of the Institutional Entitlement Offer.

New Shares not applied for under the Institutional Entitlement Offer by Eligible Institutional Shareholders are to be taken up by the Lead Manager (as underwriter) subject to the terms and

² The ASX Announcements and the Investor Presentation are current as at 5 December 2024. There may be other announcements that are made by Terragen after Thursday, 5 December 2024 and before the Retail Entitlement Offer closes at 5.00pm (Sydney time) on Thursday, 16 January 2025 that may be relevant in your consideration of whether to take part in the Retail Entitlement Offer. Therefore, you should check whether any further announcements have been made by Terragen before submitting an Application.

conditions of the Underwriting Agreement, described further in Section 5.1 of this Retail Offer Booklet.

New Shares are expected to be issued under the Institutional Entitlement Offer on Friday, 13 December 2024.

3.3 Placement

Institutional investors were invited to bid for New Shares under the Placement at the Offer Price of \$0.035 per New Share.

The Placement was successfully undertaken on Thursday, 5 December 2024 and raised approximately \$0.77 million. Please see Terragen ASX announcement dated Monday, 9 December 2024 for further information about the outcome of the Placement.

New Shares are expected to be issued under the Placement on Friday, 13 December 2024.

3.4 Retail Entitlement Offer

The Retail Entitlement Offer is being made pursuant to section 708AA of the Corporations Act (as modified by *ASIC Corporations (Non-Traditional Rights Issues) Instrument 2016/84* and *ASIC Corporations (Disregarding Technical Relief) Instrument 2016/73*), which allows rights issues to be offered without a prospectus, provided certain conditions are satisfied.

Eligible Retail Shareholders are being invited to apply for all or part of their Entitlement and are being sent this Retail Offer Booklet with a personalised Entitlement and Acceptance Form.

Eligible Retail Shareholders who take up all of their Entitlement may also apply for additional New Shares in excess of their Entitlement under the Oversubscription Facility.

The Retail Entitlement Offer constitutes an offer only to Eligible Retail Shareholders, being Shareholders who on the Record Date:

- (a) either:
 - (i) have an address on the Terragen register in Australia or New Zealand; or
 - (ii) are an Institutional Investor who was not invited to participate in the Institutional Entitlement Offer;
- (b) are not in the United States and are not a person (including nominees or custodians) acting for the account or benefit of a person in the United States;
- (c) are not Eligible Institutional Shareholders and were not treated as an Ineligible Institutional Shareholder under the Institutional Entitlement Offer; and
- (d) are eligible under all applicable securities laws to receive an offer under the Retail Entitlement Offer (and, for the avoidance of doubt, without any requirement for a prospectus or offer document to be lodged or registered).

Determination of eligibility of investors for the purposes of the Entitlement Offer is determined by reference to a number of matters, including legal requirements, logistical and registry constraints, and the discretion of Terragen. Terragen and the Lead Manager disclaim any liability in respect of the exercise or otherwise of that determination and discretion, to the maximum extent permitted by law.

The Retail Entitlement Offer seeks to raise approximately \$1.55 million. The Offer Price under the Retail Entitlement Offer is the same as the Offer Price under the Institutional Entitlement Offer and Placement.

The Retail Entitlement Offer opens on Thursday, 12 December 2024 and is expected to close at 5.00pm (Sydney time) on Thursday, 16 January 2025.

The Retail Entitlement Offer is fully underwritten by the Lead Manager, subject to the terms of the Underwriting Agreement described further in Section 5.1.

3.5 Ineligible Retail Shareholders

Terragen has obtained approval from ASIC to appoint Berne No 132 Nominees Pty Ltd (ACN 010 413 591) (**Nominee**), who is an authorised representative of Morgans Financial Limited (AFSL 235410), as nominee for the purposes of section 615 of the Corporations Act to sell New Shares which would otherwise have been available to Ineligible Retail Shareholders had they been eligible to participate in the Entitlement Offer. The Nominee will arrange for the sale of the New Shares which would have been offered to the Ineligible Retail Shareholders. The Company will arrange for the net proceeds of sale (if any), net of expenses, to be distributed to Ineligible Retail Shareholders in proportion to their Entitlements at the Record Date.

3.6 Your Entitlement

An Entitlement and Acceptance Form setting out your Entitlement (calculated as 1 New Share for every 3.22 Shares held on the Record Date (i.e. 7.00pm (Sydney time) on Monday, 9 December 2024) with fractional entitlements rounded up to the nearest whole number of New Shares) accompanies this Retail Offer Booklet. Eligible Retail Shareholders may apply for all or part of their Entitlement.

If you have more than one registered holding of Shares, you will be sent more than one personalised Entitlement and Acceptance Form and you will have separate Entitlements for each separate holding.

Eligible Retail Shareholders should be aware that an investment in Terragen involves risks. The key risks identified by Terragen are set out in the section entitled 'Key risks' of the Investor Presentation (enclosed in Annexure A).

Oversubscription Facility – Application for Additional Shares

Any Entitlement not taken up pursuant to the Retail Entitlement Offer (**Shortfall Shares**) will be offered under an Oversubscription Facility.

Eligible Retail Shareholders who take up all of their Entitlement (excluding the Underwriter, Sub-underwriter and its associates, and any Listing Rule 10.11 Parties) may apply for additional New Shares (**Additional Shares**).

If you apply for Additional Shares, and if your application is successful (in whole or in part), your Additional Shares will be issued to you at the same time and on the same terms that other New Shares are issued under the Retail Entitlement Offer. If you apply for Additional Shares, there is no guarantee that you will be allocated any Additional Shares.

Additional Shares will only be allocated to Eligible Retail Shareholders:

- (a) if there are Shortfall Shares available; and
- (b) subject to the Corporations Act, Listing Rules and other applicable laws and regulations.

Oversubscription Facility – Scale back

If Eligible Retail Shareholders apply for more Additional Shares than there are Shortfall Shares available, the Company will scale back allocations. Terragen will scale back applications for Additional Shares in its absolute discretion, which may include:

- (a) having regard to the pro rata Entitlement of Eligible Retail Shareholders who apply for Additional Shares; and
- (b) to ensure compliance with the ASX Listing Rules, the Corporations Act and all other applicable laws.

See Section 4.2 for further detail.

Application Monies received by the Company in excess of the amount in respect of your Entitlement will be treated as an application to apply for as many Additional Shares as that excess amount will pay for in full at the Offer Price (subject to the maximum number of Additional Shares and allocation policy referred to in Section 4.5).

Oversubscription Facility – Shortfall

If, following allocation of New Shares under the Oversubscription Facility, there are remaining Shortfall Shares which have not been allocated, the Shortfall Shares will be issued to the Underwriter and consequently, the Sub-Underwriters. Refer to Section 5 for details.

4 How to apply

4.1 Options available to you

The number of New Shares to which Eligible Retail Shareholders are entitled is shown on the accompanying Entitlement and Acceptance Form. Eligible Retail Shareholders may:

- (a) take up their Entitlement in full and, if they do so, they may also apply for additional New Shares (**Additional Shares**) under the Oversubscription Facility (refer to Section 4.2);
- (b) take up part of their Entitlement, in which case the part of the Entitlement not taken up would lapse (refer to Section 4.3); or
- (c) do nothing and allow their entire Entitlement to lapse (refer to Section 4.4).

Ineligible Retail Shareholders may not participate in the Retail Entitlement Offer.

Terragen reserves the right to reject any Application that is received after the Closing Date. The Directors reserve the right to issue any shortfall under the Entitlement Offer at their discretion.

The Closing Date for acceptance of the Retail Entitlement Offer is 5.00pm (Sydney time) on Thursday, 16 January 2025.

You may access the Offer Booklet and Entitlement and Acceptance form from the offer website <https://events.miracle.com/tgh-offer>.

4.2 Taking up all of your Entitlement or taking up all of your Entitlement and participating in the Oversubscription Facility

If you wish to take up all of your Entitlement, you must complete the Entitlement and Acceptance Form and pay the Application Money by following the instructions set out on the personalised Entitlement and Acceptance Form. Payment is due by no later than **5.00pm (Sydney time) on Thursday, 16 January 2025**.

If you apply to take up all of your Entitlement, you may also apply for Additional Shares under the Oversubscription Facility. Any Application Money received for more than your full Entitlement of New Shares will be treated as applying for as many additional New Shares as it will pay for in full.

Refer to Section 3.6 for additional information.

If you apply for Additional Shares under the Oversubscription Facility, and if your application is successful (in whole or in part), your Additional Shares will be issued to you at the same time and on the same terms that other New Shares are issued under the Retail Entitlement Offer.

If you apply for Additional Shares, there is no guarantee that you will be allocated any Additional Shares. Additional Shares will only be allocated to Eligible Retail Shareholders:

- (a) if available;
- (b) subject to compliance with the ASX Listing Rules, the Corporations Act and all other applicable laws; and
- (c) prior to any New Shares being issued to the Underwriter (or Sub-Underwriter).

If Eligible Retail Shareholders apply for more Additional Shares than available under the Oversubscription Facility, Terragen will scale back applications for Additional Shares in its absolute discretion, which may include:

- (a) having regard to the pro rata Entitlement of Eligible Retail Shareholders who apply for Additional Shares; and
- (b) to ensure compliance with the ASX Listing Rules, the Corporations Act and all other applicable laws.

No interest will be paid to Applicants on any Application Money received or refunded. Refund amounts (greater than \$2.00), if any, will be paid in Australian dollars. You will be paid by direct credit to the nominated bank account as noted on the share register as at the Closing Date. If you wish to advise or change your banking instructions with the Share Registry you may do so by going to www.linkmarketservices.com.au or registrars@linkmarketservices.com.au.

4.3 Taking up part of your Entitlement and allowing the balance to lapse

If you wish to take up part of your Entitlement, you must complete the Entitlement and Acceptance Form and pay the Application Money by following the instructions set out on the personalised Entitlement and Acceptance Form.

If you wish to take up part of your Entitlement, you will not be entitled to apply for Additional Shares under the Oversubscription Facility.

If Terragen receives an amount that is less than the Offer Price multiplied by your Entitlement, your payment may be treated as an Application for as many New Shares as your Application Money will pay for in full.

4.4 Allowing your Entitlement to lapse

If you do not wish to take up all or any part of your Entitlement, do not take any further action and all or that part of your Entitlement will lapse.

4.5 Consequences of not taking up all or part of your Entitlement

Lapsing of Entitlement

If you do not take up all or part of your Entitlement in accordance with the instructions set out above, your Entitlement will lapse. By allowing your Entitlement to lapse, you will forgo any exposure to increases or decreases in the value of the New Shares had you taken up your Entitlement and you will not receive any value for your Entitlement. Your interest in Terragen will also be diluted to the extent that New Shares are issued under the Equity Raising.

Allocation policy

With respect to any New Shares that relate to the portion of your Entitlement that has not been taken up, those Shortfall Shares will be allocated as follows:

- (a) Those Shortfall Shares may be acquired by Eligible Retail Shareholders under the Oversubscription Facility, refer to Section 3.6 and Section 4.2 for details; and
- (b) Any Shortfall Shares not taken up under the Oversubscription Facility will then be issued in accordance with the terms of the Underwriting Agreement and Sub-underwriting arrangements.

Subject to the terms of the Underwriting Agreement and sub-underwriting arrangements, the Directors reserve the right to issue any New Shares not issued in the Entitlement Offer (**Final Shortfall Shares**) to new investors or existing Shareholders within 3 months of the close of the Entitlement Offer at a price no less than the Offer Price. The allocation of Final Shortfall Shares will be within the complete discretion of Terragen, having regard to factors such as:

- (a) Terragen's desire for an informed and active trading market;
- (b) Terragen's desire to establish a wide spread of shareholders, the size and type of funds under management of particular investors;
- (c) the likelihood that particular investors will be long-term shareholders; and
- (d) any other factors Terragen considers appropriate.

4.6 Payment

You can pay in the following ways:

- by BPAY® in accordance with the Entitlement and Acceptance Form; or
- by EFT.

Cash payments will not be accepted. Additionally, payments by cheque, bank draft or money order will not be accepted. Receipts for payment will not be issued.

Terragen will treat you as applying for as many New Shares as your payment will pay for in full up to your Entitlement, and in respect of any excess amount applying for as many Additional Shares under the Oversubscription Facility as it will pay for in full.

Any Application Money (greater than \$2.00) received for more than your final allocation of New Shares (and Additional Shares if relevant) will be refunded as soon as practicable after the close of the Retail Entitlement Offer. No interest will be paid to Applicants on any Application Money received or refunded.

(a) Payment by BPAY®

For payment by BPAY®, please follow the instructions on the personalised Entitlement and Acceptance Form. You can only make payment via BPAY® if you are the holder of an account with an Australian financial institution that supports BPAY® transactions.

When paying by BPAY®, please make sure you use the specific Biller Code and your unique Customer Reference Number (**CRN**) on your personalised Entitlement and Acceptance Form. If you have multiple holdings and consequently receive more than one personalised Entitlement and Acceptance Form, when taking up your Entitlement in respect of one of those holdings only use the CRN specific to that holding. If you do not use the correct CRN specific to that holding your Application will not be recognised as valid.

Please note that by paying by BPAY®:

- (i) you do not need to submit your personalised Entitlement and Acceptance Form but are taken to make the declarations, representations and warranties on that Entitlement and Acceptance Form and in Section 4.7;
- (ii) if you do not pay for your full Entitlement, you are deemed to have taken up your Entitlement in respect of such whole number of New Shares which is covered in full by your Application Moneys; and
- (iii) if you pay more than is required to subscribe for your Entitlement, you will be taken to have applied for additional New Shares (if any) under the Oversubscription Facility, to the extent of the excess.

It is your responsibility to ensure that your BPAY® payment is received by the Share Registry by no later than 5.00pm (Sydney time) on Thursday, 16 January 2025. You should be aware that your financial institution may implement earlier cut-off times with regard to electronic payment, and you should therefore take this into consideration in the timing of when you make payment.

(b) Payment using EFT

For payment by EFT, please follow the instructions on the personalised Entitlement and Acceptance Form.

When paying by EFT, please make sure you use the specific account details and your Unique Reference Number on your personalised Entitlement and Acceptance Form. If you have multiple holdings and consequently receive more than one personalised Entitlement and Acceptance Form, when taking up your Entitlement in respect of one of those holdings only use the Unique Reference Number specific to that holding. If you do not use the correct Unique Reference Number specific to that holding your Application will not be recognised as valid.

Please note that by paying by EFT:

- (i) you do not need to submit your personalised Entitlement and Acceptance Form but are taken to make the declarations, representations and warranties on that Entitlement and Acceptance Form and in Section 4.7;
- (ii) if you do not pay for your full Entitlement, you are deemed to have taken up your Entitlement in respect of such whole number of New Shares which is covered in full by your Application Moneys; and
- (iii) if you pay more than is required to subscribe for your Entitlement, you will be taken to have applied for additional New Shares (if any) under the Oversubscription Facility, to the extent of the excess.

It is your responsibility to ensure that your EFT payment is received by the Share Registry by no later than **5.00pm (Sydney time) on Thursday, 16 January 2025**. You should be aware that your financial institution may implement earlier cut-off times with regard to electronic payment, and you should therefore take this into consideration in the timing of when you make payment.

4.7 Entitlement and Acceptance Form is binding

A payment made through BPAY® or EFT constitutes a binding offer to acquire New Shares (or Additional Shares, as the case may be) on the terms and conditions set out in this Retail Offer Booklet and, once lodged or paid, cannot be withdrawn. Terragen's decision on whether to treat an acceptance as valid is final.

By making a payment by BPAY® or EFT, you will also be deemed to have acknowledged, represented and warranted on behalf of each person on whose account you are acting that:

- (a) you have received and read, and understand this Retail Offer Booklet and your personalised Entitlement and Acceptance Form in their entirety;
- (b) you agree to be bound by the terms of the Retail Entitlement Offer, the provisions of this Retail Offer Booklet, and Terragen's constitution;
- (c) you authorise Terragen to register you as the holder(s) of New Shares issued to you under the Retail Entitlement Offer;
- (d) all details and statements in the personalised Entitlement and Acceptance Form are complete, accurate and up to date;
- (e) if you are a natural person, you are 18 years of age or over and have full legal capacity and power to perform all of your rights and obligations under the personalised Entitlement and Acceptance Form;
- (f) you accept that there is no cooling off period under the Retail Entitlement Offer and that once Terragen receives any payment of Application Money via BPAY®, you may not withdraw your Application or funds provided except as allowed by law;
- (g) you agree to apply for and be issued up to the number of New Shares for which you have submitted payment of any Application Money via BPAY®, at the Offer Price;
- (h) if you apply for Additional Shares under the Oversubscription Facility, you declare that you are not a 'related party' (as that term is defined in the ASX Listing Rules) or a person to whom Listing Rule 10.11 applies;
- (i) you authorise Terragen, the Lead Manager, the Share Registry and their respective officers, employees or agents to do anything on your behalf necessary for New Shares to be issued to you, including to act on instructions of the Share Registry upon using the contact details set out in your personalised Entitlement and Acceptance Form;

- (j) you acknowledge and agree that:
 - (i) determination of eligibility of investors for the purposes of the Institutional Entitlement Offer and 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 and the Lead Manager; and
 - (ii) each of Terragen and the Lead Manager, and each of their respective affiliates, disclaim any duty or liability (including for negligence) in respect of that determination and the exercise or otherwise of that discretion, to the maximum extent permitted by law;
- (k) you represent and warrant (for the benefit of Terragen, the Lead Manager and each of their respective related bodies corporate and affiliates) that you did not receive an invitation to participate in the Institutional Entitlement Offer either directly or through a nominee, are not an Ineligible Institutional Shareholder under the Institutional Entitlement Offer and are otherwise eligible to participate in the Retail Entitlement Offer;
- (l) you declare that you were the registered holder(s) at the Record Date of the Shares indicated on the personalised Entitlement and Acceptance Form as being held by you on the Record Date;
- (m) the information contained in this Retail Offer Booklet and your personalised Entitlement and Acceptance Form is not investment advice nor a recommendation that New Shares are suitable for you given your investment objectives, financial situation or particular needs;
- (n) this Retail Offer Booklet is not a prospectus, does not contain all of the information that you may require in order to assess an investment in Terragen and is given in the context of Terragen's past and ongoing continuous disclosure announcements to ASX;
- (o) you acknowledge the statement of risks in the 'Key risks' section of the Investor Presentation included in Annexure A of this Retail Offer Booklet, and that an investment in Terragen is subject to risks;
- (p) none of Terragen, the Lead Manager, or their respective related bodies corporate and affiliates and their respective directors, officers, partners, employees, representatives, agents, consultants or advisers, guarantees the performance of the New Shares or the performance of Terragen, nor do they guarantee the repayment of capital from Terragen;
- (q) you agree to provide (and direct your nominee or custodian to provide) any requested substantiation of your eligibility to participate in the Retail Entitlement Offer and of your holding of Shares on the Record Date;
- (r) you authorise Terragen to correct any errors in your personalised Entitlement and Acceptance Form or other form provided by you;
- (s) the law of any place does not prohibit you from being given this Retail Offer Booklet and the personalised Entitlement and Acceptance Form, nor does it prohibit you from making an Application for New Shares and that you are otherwise eligible to participate in the Retail Entitlement Offer;
- (t) you are an Eligible Retail Shareholder;
- (u) you acknowledge that the New Shares have not been, and will not be, registered under the U.S. Securities Act or under the laws of any state or other jurisdiction of the United States and that the New Shares may not be offered or sold, directly or indirectly, in the United States, except in a transaction exempt from, or not subject to, the registration requirements of the U.S. Securities Act and any other applicable securities laws;
- (v) you have not and will not send any materials relating to the Retail Entitlement Offer to any person in the United States or to any person (including nominees or custodians) acting for the account or benefit of a person in the United States, or to any country

outside Australia and New Zealand (except that nominees or custodian may send materials relating to the Retail Entitlement Offer to Institutional Investors);

- (w) if you decide to sell or otherwise transfer the New Shares in the future, you will only do so in transactions exempt from, or not subject to, the registration requirements of the U.S. Securities Act, including in regular way transactions on ASX or otherwise 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 the purchaser is, a person in the United States;
- (x) if you are acting as a nominee or custodian, each beneficial holder on whose behalf you are submitting an Application (i) is resident in Australia or New Zealand or is an Institutional Investor, and (ii) is not in the United States and is not acting for the account or benefit of a person in the United States, and you have not sent this Retail Offer Booklet, the Entitlement and Acceptance Form or any information or materials relating to the Retail Entitlement Offer to any such person; and
- (y) you make all other representations and warranties set out in this Retail Offer Booklet.

4.8 Brokerage and stamp duty

No brokerage fee is payable by Eligible Retail Shareholders who accept their Entitlement. No stamp duty is payable for the grant of the Entitlement, or for exercising the Entitlement in order to apply for New Shares under the Retail Entitlement Offer or for additional New Shares under the Oversubscription Facility.

4.9 Notice to nominees and custodians

The Retail Entitlement Offer is being made to all Eligible Retail Shareholders. Nominees with registered addresses in the eligible jurisdictions, may also be able to participate in the Retail Entitlement Offer in respect of some or all of the beneficiaries on whose behalf they hold Existing Shares, provided that the applicable beneficiary would satisfy the criteria for an Eligible Retail Shareholder.

Nominees and custodians who hold Shares as nominees or custodians will have received, or will shortly receive, a letter from Terragen. Nominees and custodians should consider carefully the contents of that letter and note in particular that the Retail Entitlement Offer is not available to:

- (a) beneficiaries on whose behalf they hold Existing Shares who would not satisfy the criteria for an Eligible Retail Shareholder;
- (b) Eligible Institutional Shareholders who received an offer to participate in the Institutional Entitlement Offer (whether they accepted their Entitlement or not);
- (c) Ineligible Institutional Shareholders who were ineligible to participate in the Institutional Entitlement Offer; or
- (d) Shareholders who are not eligible under all applicable securities laws to receive an offer under the Retail Entitlement Offer.

In particular, persons acting as nominees for other persons may not take up Entitlements on behalf of, or send any documents relating to the Retail Entitlement Offer to, any person in the United States or elsewhere outside Australia and New Zealand, except that nominees may take up Entitlements on behalf of, and send this Retail Offer Booklet to, Institutional Investors who were not invited to participate in the Institutional Entitlement Offer.

4.10 Nominee

Terragen has obtained approval from ASIC to appoint Berne No 132 Nominees Pty Ltd (ACN 010 413 591), a related body corporate of the Underwriter (**Nominee**) who is an authorised representative of Morgans Financial Limited (AFSL 235410) as nominee for the purposes of section 615 of the Corporations Act to sell New Shares which would otherwise have been available to Ineligible Institutional Shareholders or Ineligible Retail Shareholders had they been eligible to participate in the Entitlement Offer. The Nominee will arrange for the sale of the New

Shares which would have been offered to the Ineligible Institutional Shareholders or Ineligible Retail Shareholders. The Company will arrange for the proceeds of sale (if any), net of expenses, to be distributed to Ineligible Institutional Shareholders and Ineligible Retail Shareholders in proportion to their Entitlements at the Record Date.

4.11 Withdrawal of the Entitlement Offer

Subject to applicable law, Terragen reserves the right to withdraw the Entitlement Offer at any time before the issue of New Shares, in which case Terragen will refund any Application Money already received in accordance with the Corporations Act and will do so without interest being payable to Applicants.

To the fullest extent permitted by law, you agree that any Application Money paid by you to Terragen will not entitle you to receive any interest and that any interest earned in respect of Application Money will belong to Terragen.

4.12 Enquiries

If you have not received or you have lost your personalised Entitlement and Acceptance Form, or have any questions regarding the Entitlement Offer, please contact the Terragen Offer Information Line on 1300 330 255 (within Australia) or +61 1300 330 255 (outside Australia) at any time from 8.30am to 5.30pm (Sydney time) on Monday to Friday, before the Retail Entitlement Offer closes at 5.00pm (Sydney time) on Thursday, 16 January 2025. If you have any further questions, you should contact your stockbroker, lawyer, accountant or other professional adviser.

Eligible Retail Shareholders should be aware that an investment in Terragen involves risks. The key risks identified by Terragen are set out in the Investor Presentation (in Annexure A).

5 The Underwriting Agreement, control implications and capital structure

5.1 Underwriting Agreement and Sub-underwriting Agreements

The Underwriting Agreement

The Entitlement Offer is lead managed and fully underwritten by the Underwriter pursuant to an underwriting agreement dated Thursday, 5 December 2024 (**Underwriting Agreement**).

Fees

The Underwriter has also been appointed as the lead manager and Underwriter of the Entitlement Offer and lead manager of the Placement and will be paid a management fee of:

- (a) 3.0% of the proceeds of the Placement;
- (b) 3.0% of the proceeds of the Entitlement Offer (other than any take-up by Mr Ward); and
- (c) 1.0% of the proceeds of the Entitlement Offer (for take-up by Mr Ward).

The Company will also pay the Underwriter an underwriting fee of:

- (d) 2.0% of the proceeds of the Entitlement Offer (other than any take-up by Mr Ward); and
- (e) 2.0% of the proceeds of the Entitlement Offer (for take-up by Mr Ward).

Ability to sub-underwrite

The Underwriter intends to enter into sub-underwriting agreements in respect of the Entitlement Offer with various sub-underwriters (**Sub-Underwriters**), to take up the Shortfall Shares.

The Underwriter has agreed that, provided the Underwriting Agreement is not validly terminated, any unallocated Shortfall Shares must be subscribed for by the Underwriter or Sub-Underwriters.

The allocation of the Shortfall Shares will be determined by the Underwriter in agreement with the Company, however allocation to Mr Ward will be made last, in order to reduce, so far as possible, control implications from the Entitlement Offer. Refer to Section 5.8 for detail.

Details of the sub-underwriting arrangements are provided below.

Conditions precedent, representations, warranties and indemnities

The Underwriting Agreement contains certain customary:

- (a) conditions precedent (that must be satisfied or waived before the Underwriters are obliged under the Underwriting Agreement to, among other things, underwrite the Retail Entitlement Offer). For instance, the Underwriter's obligations under the Underwriting Agreement, including to underwrite and manage the Entitlement Offer, are conditional on certain matters, including the timely delivery of certain due diligence materials, sign-offs and other documents; and
- (b) representations, warranties and indemnities in favour of the Underwriters.

Termination events

The obligation of the Underwriter to underwrite the Entitlement Offer is subject to certain events of termination. The Underwriter may, by notice to Terragen, terminate its obligations under the Underwriting Agreement on the occurrence of certain customary termination events for an agreement of this nature, including but not limited to, those detailed below.

If the Underwriting Agreement is terminated then Terragen may determine to proceed with the Entitlement Offer or may determine to withdraw the Entitlement Offer.

Termination Events

1. **(misleading disclosure)** a statement contained in the Offer Materials is or becomes false, misleading or deceptive or likely to mislead or deceive or has omitted a matter which renders the statement misleading;
2. **(information)** the Due Diligence Committee Report or any information supplied by or on behalf of the Issuer to the Underwriter for the purposes of the Due Diligence Investigations, the Offer Materials, or the Offer, is false, misleading or deceptive in a material respect;
3. **(Cleansing Statements)** the Cleansing Statement is Defective, or a Corrective Statement is required to be issued under the Corporations Act (other than as a result of a new circumstance arising);
4. * **(new circumstance)** a new circumstance arises or becomes known which, if known at the time of issue of the Investor Presentation Materials and the Cleansing Statement, would have been required to be included in the Investor Presentation Materials or the Cleansing Statement;
5. **(Material Adverse Effect)** any material adverse change, or development (including but not limited to any regulatory change) or event occurs or is likely to occur which has or is likely to have a Material Adverse Effect;
6. **(market fall)** the ASX/S&P 300 Index falls by 10 per cent or more at any time from its level at market close on the Business Day immediately preceding the date of this document;
7. * **(future matters)** any estimate or expression of opinion, belief, expectation or intention, or statement relating to future matters (including any forecast or prospective financial statements, information or data or the assumptions or sensitivity in relation thereto) in any Offer Materials is or becomes incapable of being met or, in the reasonable opinion of the Underwriter, unlikely to be met in the projected timeframe;
8. * **(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 of Australia a new law, or the Reserve Bank of Australia, or any Commonwealth or State authority, adopts or announces a proposal to adopt a new policy (other than a law or policy which has been announced before the date of this document), any of which does or in the reasonable opinion of the Underwriter is likely to prohibit or adversely affect or regulate the Offer, capital issues or stock markets or the Underwriter's ability to promote or market the Offer or enforce contracts to issue or allot the Offer Securities, or adversely affect the taxation treatment of the Offer Securities;
9. **(unable to proceed)** the Issuer is or will be prevented from conducting or completing the Offer (including granting the Entitlements or issuing Offer Securities) by or in accordance with the Listing Rules, ASIC, ASX, any applicable laws or an order of a court of competent jurisdiction, or otherwise is or will become unable or unwilling to do any of these things or a third party applies to a court of competent jurisdiction seeking orders to prevent, or which will have the effect of preventing any of these things;

10. **(force majeure)** there is an event or occurrence, including any statute, order, rule, regulation, directive or request (including one compliance with which is in accordance with the general practice of persons to whom the directive or request is addressed) of any Government Agency which makes it illegal for the Underwriter to satisfy an obligation under this document, or to market, promote or settle the Offer;
11. **(listing):**
 - (a) the Issuer ceases to be admitted to the official list of ASX or the Securities (or interests in them) cease trading or are suspended from official quotation or cease to be quoted on the ASX (other than a voluntary suspension requested by the Issuer and consented to by the Underwriter to facilitate the Offer (such consent not to be unreasonably withheld or delayed)); or
 - (b) ASX makes any official statement to any person, or indicates to the Issuer or the Underwriter that it will not grant permission for the official quotation of the Institutional Entitlement Securities or Retail Entitlement Securities; or
 - (c) permission for the official quotation of the Institutional Entitlement Securities or Retail Entitlement Securities is granted before the date of issue of those Offer Securities, but the approval is subsequently withdrawn, qualified or withheld;
12. **(applications)**
 - (a) an application is made by ASIC for an order under Part 9.5 of the Corporations Act in relation to the Offer Materials or the Offer or ASIC commences, or gives notice of an intention to hold, any investigation or hearing in relation to the Offer or any of the Offer Materials or prosecutes or commences proceedings against or gives notice of an intention to prosecute or commence proceedings against the Issuer; or
 - (b) there is an application to a Government Agency (including, without limitation, the Takeovers Panel) for an order, declaration (including, in relation to the Takeovers Panel, of unacceptable circumstances) or other remedy in connection with the Offer (or any part of it) or any agreement entered into in respect of the Offer (or any part of it) except where such application does not become public and is withdrawn or dismissed within two Business Days after it is commenced or where it is commenced less than two Business Days before the Institutional Issue Date or Completion it has not been withdrawn or dismissed by the Institutional Issue Date or Completion, (as the case may be);
13. **(no misleading or deceptive conduct)** the Issuer engages in conduct that is misleading or deceptive or which is likely to mislead or deceive in connection with the making of the Offer;
14. **(withdrawal)** the Issuer withdraws or indicates that it does not intend to proceed with the Offer or any part of the Offer, or withdraws a document forming part of the Offer Materials;
15. **(market disruption)** either of the following occurs:

	<ul style="list-style-type: none"> (a) a general moratorium on commercial banking activities in Australia, the United States of America, Singapore, Hong Kong, the People's Republic of China or the United Kingdom is declared by the relevant central banking authority in any of those countries, or there is a material disruption in commercial banking or security settlement or clearance services in any of those countries; or (b) trading in all securities quoted or listed on ASX, the London Stock Exchange, the Hong Kong Stock Exchange, the Singapore Stock Exchange or the New York Stock Exchange is suspended or limited in a material respect for more than one day on which that exchange is open for trading or substantially all of a trading day;
16.	<p>* (hostilities) there is major act of terrorism anywhere in the world or any of the following occurs:</p> <ul style="list-style-type: none"> (a) there is an outbreak of hostilities not presently existing or a major escalation in existing hostilities occurs (in each case, whether or not a war or a national emergency has been declared); (b) a declaration is made of a national emergency or war; or (c) a pandemic, epidemic or large-scale outbreak of a disease, including without limitation SARS, swine or avian flu, H5N1, H7N9, COVID-19 (this is a material change only) or a related or mutated form of these, not presently existing occurs or in respect of which there is a major escalation (including an escalation resulting in a material shut-down of business), involving any one or more of Australia, New Zealand, the United States of America, the United Kingdom, any member state of the European Union, the People's Republic of China, Israel, Ukraine, Syria, Iran, North Korea, Hong Kong or Singapore, or any diplomatic, military, commercial or political establishment of any of these countries elsewhere in the world;
17.	<p>* (political or economic conditions) the occurrence of any adverse change or disruption to financial, political or economic conditions, currency exchange rates or controls or financial markets in Australia, New Zealand, any member state of the European Union, the United States of America, the United Kingdom, the People's Republic of China, Hong Kong, Singapore or elsewhere or any change or development involving a prospective adverse change in any of those conditions or markets;</p>
18.	<p>* (representations and warranties) a representation and warranty contained in this document on the part of the Issuer is untrue or incorrect when given or taken to be given or becomes untrue or incorrect;</p>
19.	<p>(Certificate – delay) any Certificate which is required to be furnished by the Issuer under this document is not furnished when required;</p>
20.	<p>* (Certificate – incorrect) any Certificate which is required to be furnished by the Issuer under this document is untrue, incorrect or misleading;</p>

21. **(delay)** any event specified in this document (including in the Timetable) is delayed by two Business Days or more, without the prior written consent of the Underwriter;
22. **(unauthorised change)** the Issuer or an Issuer Group Member:
 - (a) disposes, or agrees to dispose, of the whole, or a substantial part, of its business or property other than as contemplated in the Offer Materials;
 - (b) ceases or threatens to cease to carry on business;
 - (c) alters its capital structure, other than as contemplated in the Offer Materials; or
 - (d) amends its constitution or other constituent document of an Issuer Group Member;
23. * **(breach)** the Issuer fails to perform or observe any of its obligations under this document;
24. **(compliance)**:
 - (a) a contravention by the Issuer or any Issuer Group Member of the Corporations Act, the Constitution (or equivalent applicable documents), the Listing Rules, any applicable laws, or a requirement, order or request made by or on behalf of the ASIC, ASX or any other Government Agency or any agreement entered into by it; or
 - (b) any Offer Materials or any aspect of the Offer does not comply with the Corporations Act, the Listing Rules, the ASX Approvals, the ASIC Modifications or any other applicable law or regulation;
25. **(change in directors or management)** a change to the chief executive officer or chief financial officer or the board of directors of the Issuer occurs, or any such changes are announced (other than a change announced to ASX prior to the date of this document);
26. **(prosecution)** any of the following occurs:
 - (a) a director or senior member of management of the Issuer engages in any fraudulent conduct or activity, or is charged with an indictable offence;
 - (b) any Government Agency commences any public proceedings against the Issuer or any director in their capacity as a director of the Issuer, or announces that it intends to take such action; or
 - (c) any director of the Issuer is disqualified from managing a corporation under Part 2D.6 of the Corporations Act; or
 - (d) an investigation, inquiry or other similar communication is received from a Government Agency in relation to the Issuer;
27. **(Encumbrance)** a person Encumbers or agrees to Encumber, the whole or a substantial part of the business or property of the Issuer or the Issuer Group;
28. **(ASX Approvals)** ASX withdraws, revokes or amends the ASX Approvals;
29. **(ASIC Modifications)** ASIC withdraws, revokes or amends the ASIC Modifications;

	<p>30. (Trading Halt) the Trading Halt ends before the expiry of the relevant period referred to in the Timetable without the prior written consent of the Underwriter; or</p> <p>31. (Insolvency) an Insolvency Event occurs to an Issuer Group Member or there is an act which has occurred or any omission made which would result in an Insolvency Event occurring in respect of any Issuer Group Member.</p> <p>Those termination events which contain an asterisk (*) are subject to the qualifier that, in order to terminate, the Underwriter must have the reasonable opinion that:</p> <ul style="list-style-type: none"> ▪ the event has had or is likely to have, individually or in the aggregate, a Material Adverse Effect; or ▪ the Underwriter will or is likely to contravene, be involved in a contravention of, or incur a liability under the Constitution, the Corporations Act or any other applicable law as a result of the event. <p>Material Adverse Effect means any event, matter or thing:</p> <ul style="list-style-type: none"> ▪ in relation to the representations and warranties provided by Terragen under the Underwriting Agreement, that has or is likely to have, in the reasonable opinion of the Underwriter; and ▪ in all other circumstances, that has or is likely to have, a material adverse change or effect, or any development involving a prospective material adverse change or effect, in or affecting: <ul style="list-style-type: none"> ▪ the business operations, condition, assets, liabilities, financial or trading position or performance, profits, losses, management or prospects, earnings position, or results of operations of the Issuer Group (taken as a whole); ▪ the market price of the Terragen securities; or ▪ the success, outcome, marketing, promotion or settlement of the Entitlement Offer.
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The Sub-underwriting Agreements

The Underwriter reserves the right, at any time, to appoint sub-underwriters in respect of any part of the Entitlement Offer.

As set out in Section 5.5 of this Information Booklet, the Underwriter has entered into Sub-Underwriting Agreements with Mr Scobie Ward, Directors Mr Mike Barry, Mr Richard Norton, Mr Andrew Guthrie and CFO, Mr Matthew Whyte and Ceres Capital Pty Ltd under which they have agreed to act as sub-underwriters of the Entitlement Offer.

The allocation of the Shortfall Shares will be determined by the Underwriter in agreement with the Company, however allocation to Mr Ward will be made last, in order to reduce, so far as possible, control implications from the Entitlement Offer. Refer to Section 5.8 for detail.

If the Underwriting Agreement is terminated and Terragen determines to proceed with the Entitlement Offer then the sub-underwriters, including Mr Scobie Ward would be able to elect to not proceed with its pre-commitment to take up its Entitlements in full. The sub-underwriters may determine to proceed in full or in part for its Entitlements in that circumstance. The sub-underwriters sub-underwriting commitments would cease upon termination of the Underwriting Agreement.

Any sub-underwriters appointed by the Underwriter may be paid a fee determined by negotiation with the relevant sub-underwriter. Any sub-underwriters' fees in respect of the Entitlement Offer would be paid by the Underwriter. No sub-underwriting fees will be paid to Mr Ward, Directors Mr Mike Barry, Mr Richard Norton, Mr Andrew Guthrie or CFO, Mr Matthew Whyte in their capacity as a sub-underwriter to the Entitlement Offer. A market standard sub-underwriting fee will be paid to Ceres Capital Pty Ltd.

5.2 Capital structure as at the date of this Retail Offer Booklet and on completion of the Entitlement Offer

As at the date of this Retail Offer Booklet, Terragen's capital structure is as follows:

	Number of Shares	Number of Terragen Options
Securities on issue as at the date the Entitlement Offer was announced	369,081,126	62,500,000
Securities anticipated to be issued under the Placement	22,102,587	-
Securities anticipated to be issued under the Institutional Entitlement Offer¹	69,853,303	-
TOTAL	461,037,016¹	62,500,000

Notes:

1. The New Shares to be issued under the Institutional Entitlement Offer and Placement are anticipated to be issued on Friday, 13 December 2024.

On the basis that Terragen completes the Entitlement Offer, Terragen's capital structure will be as follows:

	Number of Shares	Number of Terragen Options
Securities on issue as at the date the Entitlement Offer was announced	369,081,126	62,500,000
Securities anticipated to be issued under the Placement	22,102,587	-
Securities anticipated to be issued under the Institutional Entitlement Offer¹	69,853,303	-
Retail Entitlement Offer²	43,980,158 ¹	-
TOTAL	505,017,174¹	62,500,000

Notes:

1. The New Shares to be issued under the Institutional Entitlement Offer and Placement are anticipated to be issued on Friday, 13 December 2024.
2. Approximate. The final number of New Shares issued under the Retail Entitlement Offer will be subject to Shareholder reconciliation and rounding.

5.3 Substantial Shareholders and Directors' interests in Securities

As at the date of this Retail Offer Booklet, Terragen has the following substantial Shareholders, both before and after completion of the Institutional Entitlement Offer and Placement.

Substantial Shareholder (before completion of the Institutional Entitlement Offer and Placement)	Number of Shares	Voting Power (%)
Scobie Ward	122,930,971	33.31%
Saville Capital Emerging Companies Fund	34,850,000	9.44 %
Thorney Investments	21,316,670	5.78 %
Ceres Capital Pty Ltd	20,687,422,	5.61%

Substantial Shareholder (after completion of the Institutional Offer and Placement)	Number of Shares	Voting Power (%)
Scobie Ward	161,108,291	34.94%
Saville Capital Emerging Companies Fund	41,992,857	9.11%
Thorney Investments	29,888,098	6.48%
Ceres Capital Pty Ltd	20,687,422	4.49%

Note:

- The above assumes that all of the substantial Shareholders acquire New Shares under the Institutional Entitlement Offer or Placement.

As at the date of this Retail Offer Booklet, the Directors' interests in Terragen are detailed below:

Director	Shares	Options
Mr Mike Barry ¹	Nil	5,000,000
Mr Scobie Ward ¹	122,930,971	33.31%
Dr Michele Allan AO	Nil	3,500,000
Mr Andrew Guthrie ¹	Nil	3,500,000
Mr Richard Norton ¹	Nil	10,000,000

Note:

- Mr Scobie Ward, Mr Mike Barry, Mr Andrew Guthrie and Mr Richard Norton are sub-underwriters of the Offer. However, only Mr Scobie Ward is sub underwriting for a material amount.

As at the date of this Offer Booklet, Mr Scobie Ward is the only Director that holds Shares. He has indicated that he will take up New Shares under the Institutional Entitlement Offer (and his sub-underwriting arrangements) as follows:

Director	Shares
Mr Scobie Ward	Entire Entitlement, being 38,177,320 Shares and a maximum of 39,694,442 (under his sub-underwriting commitment)

5.4 Potential Dilution Effect

You should note that if you do not participate in the Entitlement Offer, your holdings may be diluted by as much as approximately 23.57%, assuming the Entitlement Offer is fully subscribed (on the basis of the Underwriting and sub-underwriting) and assuming completion of the Institutional Entitlement Offer and the Placement.

The following are examples of how any dilution may affect you if you do not participate in the Entitlement Offer, assuming the maximum number of New Shares are issued under the Entitlement Offer:

Example Shareholder	Holdings as at Record Date	% as at Record Date	% as at Record Date (but assuming the Shares under the Institutional Entitlement Offer and Placement are issued)	Entitlements Under the Entitlement Offer	On completion of the Retail Entitlement Offer	
					% following allotment of New Shares (if full entitlement taken up)	% following allotment of New Shares (if entitlement not taken up)
Shareholder 1	50,000,000	13.55%	10.85%	15,527,950.00	12.98%	9.90%
Shareholder 2	10,000,000	2.71%	2.17%	3,105,590.00	2.60%	1.98%

Example Shareholder	Holdings as at Record Date	% as at Record Date	% as at Record Date (but assuming the Shares under the Institutional Entitlement Offer and Placement are issued)	Entitlements Under the Entitlement Offer	On completion of the Retail Entitlement Offer	
					% following allotment of New Shares (if full entitlement taken up)	% following allotment of New Shares (if entitlement not taken up)
Shareholder 3	5,000,000	1.35%	1.08%	1,552,795.00	1.30%	0.99%
Shareholder 4	1,000,000	0.27%	0.22%	310,559.00	0.26%	0.20%
Shareholder 5	500,000	0.14%	0.11%	155,280.00	0.13%	0.10%

Note:

The dilution in the above table is the maximum percentage on the assumption that those Entitlements not accepted are placed under the Underwriting Agreement and sub-underwriting arrangements.

5.5 Existing interests of the Sub-underwriters

The Entitlement Offer is being fully underwritten by Morgans Corporate Limited ACN 010 539 607 and sub-underwritten by:

- (a) To \$1,389,305 by the Company's largest shareholder, Mr Scobie Ward (**Mr Ward**).
- (b) To \$50,000 by Mike Barry;
- (c) To \$20,000 by Richard Norton;
- (d) To \$10,000 by Andrew Guthrie;
- (e) To \$20,000 by Matthew Whyte;
- (f) To \$50,000 by Ceres Capital Pty Ltd; and
- (g) Other sub-underwriters that may be appointed following the opening of the Retail Entitlement Offer.

The sub-underwriters with the exception of Mr Ward are referred to as 'the **Other Sub-underwriters**'.

The key terms of the underwriting agreement between the Company and the Underwriter in connection with the Entitlement Offer are set out in the section titled '*Appendix – Underwriting Agreement Summary*' of the Investor Presentation included in Annexure A, and in Section 5 of this Information Booklet.

As at the date of this Retail Offer Booklet:

- (a) Mr Ward directly or indirectly holds a relevant interest in 33.3%;
- (b) Mr Mike Barry, Mr Richard Norton, Mr Andrew Guthrie and Matthew Whyte hold no relevant interest in Terragen; and
- (c) Ceres Capital Pty Ltd directly or indirectly holds a relevant interest in 5.61%.

of the issued Shares of the Company.

Director, Mr Ward, will hold a voting power of approximately 34.9% of the issued shares in the Company as a result of his take-up under the Institutional Entitlement Offer.

Directors, Mr Mike Barry, Mr Richard Norton, Mr Andrew Guthrie and CFO Matthew Whyte will not acquire any New Shares under the Institutional Entitlement Offer on the basis that they are not presently Shareholders.

Ceres Capital Pty Ltd, will hold a voting power of approximately 4.49% of the issued shares in the Company as a result of take-up under the Placement and the Institutional Entitlement Offer (noting that Ceres Capital Pty Ltd did not take up its Entitlement).

The holding of Mr Ward is detailed below, as detailed in its most recent ASIC Form 604:

Holder of relevant interest	Registered holder of securities	Person entitled to be registered as holder	Class and number of securities	Percentage of votes	Take-up under the Institutional Entitlement Offer	Percentage of votes (following Take-up under the Institutional Entitlement Offer and Placement)
Mr Scobie Ward	Mr Scobie Ward	Mr Scobie Ward	122,930,971 ordinary shares	33.3%	38,177,320 ordinary shares	34.9%
TOTAL				33.3%		34.9%

Mr Ward has a strong academic background, graduating cum laude with a BA from Harvard University in 1989 and holding a CFA charter. He brings a wealth of experience, having over 30 years of investment management experience focusing on smaller listed companies and was also the co-founder and executive chairman of the investment firm Ward Ferry Management.

As at the date of this Offer Booklet, Mr Ward, Mr Mike Barry, Mr Richard Norton and Mr Andrew Guthrie are all Directors on the Board of Terragen and Mr Matthew Whyte is the CFO of Terragen.

5.6 Management of conflicts of interest

As the date of this Retail Offer Booklet, Mr Scobie Ward is a Director of the Company and has an interest of 33.3% of the issued share capital of Terragen.

The Company established an independent Board committee (**IBC**) comprising the balance four directors and who have full delegated authority in respect of investigating, overseeing and executing the Entitlement Offer.

To further ensure that any conflicts were appropriately managed, the IBC adopted Conflicted Director Protocols consistent with the principles set out in Takeovers Panel Guidance Note 19: Insider Participation in Control Transactions in order to manage potential conflicts and to restrict the involvement of Mr Ward in decisions of the Company relating to the Entitlement Offer. Mr Ward agreed to and accepted those protocols.

It was considered that each of Mr Mike Barry, Mr Richard Norton, Mr Andrew Guthrie could be members on the IBC on the basis that although they would sub-underwrite the Entitlement Offer, their sub-underwriting commitment was not material (being to an aggregate of \$80,000) and was being provided given that none of Mr Mike Barry, Mr Richard Norton, Mr Andrew Guthrie hold any Shares in the Company.

Further, given Mr Ward, Mr Mike Barry, Mr Richard Norton and Mr Andrew Guthrie are each a related party of the Company, all of them agreed to receive no fee for this partial sub-underwriting of the Entitlement Offer.

5.7 Effect on Control

Shareholders should note that if they do not participate in the Entitlement Offer and the Entitlement Offer is subscribed as detailed in Section 5.3 their holdings are likely to be diluted as

detailed in Section 5.4 (as compared to their holdings and number of Shares on issue as at the date of this Retail Offer Booklet).

Under section 606 of the Corporations Act, a person cannot acquire a relevant interest in the issued voting shares of a company if, because of a transaction in relation to securities of that company, a person's Voting Power in the company increases from 20% or below to more than 20% (or from a starting point that is above 20% and below 90%).

There are certain exceptions to the above prohibition in section 611 of the Corporations Act. Item 10A of the table in section 611 of the Corporations Act (as notionally inserted by *ASIC Corporations (Takeovers – Accelerated Rights Issues) Instrument 2015 / 1069*) (**Rights Issue Exception**) provides an exception for an acquisition of securities pursuant to a rights issue if the following conditions (as notionally modified by *ASIC Corporations (Non-Traditional Rights Issue) Instrument 2016/84*) are satisfied:

- (a) the company offers to issue securities to every person who holds securities on a pro-rata basis;
- (b) all of those persons have a reasonable opportunity to accept the offers made to them;
- (c) agreements to issue securities are not entered into until the closing date of the offer; and
- (d) the terms of all offers are the same.

If the Rights Issue Exception is to be relied upon then section 615 of the Corporations Act (regarding the appointment of a nominee for the sale of foreign shareholders' rights) must be complied with, which includes a requirement for ASIC to approve the nominee. As mentioned in Section 4.10, the Company has appointed Berne No 132 Nominees Pty Ltd (ACN 010 413 591) (a related body corporate of the Underwriter) as its Nominee and this appointment has been approved by ASIC.

Accordingly:

- (a) on the basis of compliance with the Rights Offer Exception;
- (b) given Terragen has obtained approval from ASIC to appoint Berne No 132 Nominees Pty Ltd (**Nominee**) as nominee for the purposes of section 615 of the Corporations Act to sell New Shares which would otherwise have been available to Ineligible Retail Shareholders and Ineligible Institutional Shareholders had they been eligible to participate in the Entitlement Offer (see Section 3.5);
- (c) given that Mr Scobie Ward has a relevant interest of 34.9% (after the take-up under the Institutional Entitlement Offer); and
- (d) in light of the size of the Entitlement Offer,

it is anticipated that the Entitlement Offer could have an impact on the control of Terragen. This is detailed in the below Section.

5.8 Impact of Entitlement Offer on control of the Company – Sub-underwriting by Mr Ward

Terragen's largest shareholder and Director, Mr Ward is currently a holder of 33.3% of Terragen Shares.

Mr Ward took up 100% of his entitlement of 38,177,320 New Shares under the Institutional Entitlement Offer under the rights offer of section 611 item 10A of the Corporations Act. Accordingly, as at the date of this Retail Offer Booklet, the Company expects that Mr Scobie Ward's voting power in the Company to be approximately:

- (a) 34.9% following completion of the Institutional Entitlement Offer and the Placement;
- (b) no less than 31.9% following completion of the Retail Entitlement Offer.

Mr Ward has also agreed to sub-underwrite the Retail Entitlement Offer up to \$1,389,305.

If there is sufficient shortfall to require New Shares to be acquired by Mr Ward under his sub-underwriting commitment, Mr Ward's total shareholding on completion of the Entitlement Offer will increase from approximately 33.3% (as at the date of this Retail Offer Booklet) to a maximum of 39.8%.

The number of New Shares that ultimately will be required to be taken up by Mr Ward, and therefore the increase in Mr Ward's relevant interest in the voting shares of the Company as a result of the Entitlement Offer and associated underwriting, will depend on how many New Shares are taken up under the Retail Entitlement Offer (including under the Oversubscription Facility) by persons other than Mr Ward and its associates, including by the Other Sub-underwriters.

However, the number of voting shares in which Mr Ward has a relevant interest following completion of the Entitlement Offer may be as much as 39.8% of the issued shares of the Company.

Under the terms of the sub-underwriting agreements, any Shortfall Shares will be allocated between the sub-underwriters with allocation to Ward being provided last to ensure, so far as possible, that the voting power of Mr Ward does not exceed 33.3%.

The table below sets out Mr Ward's relevant interests in the Company following completion of the Entitlement Offer under several scenarios. It should be noted that the sub-underwriting of Mr Scobie Ward is capped at \$1,389,305.

Event	No, Shares in which Mr Ward holds a relevant interest ^{1,2,3}	Voting power of Mr Ward ^{1,2}	No, Shares in which the Other Sub-underwriters hold a relevant interest ^{1,2,3}	Voting power of Other Sub-underwriters ^{1,2,3}
100% take up by Eligible Shareholders under the Retail Entitlement Offer	161,108,291	31.9%	-	0.0%
75% take up by Eligible Shareholders under the Retail Entitlement Offer	167,817,615	33.2%	4,285,716	0.8%
50% take up by Eligible Shareholders under the Retail Entitlement Offer	178,812,654	35.4%	4,285,716	0.8%
25% take up by Eligible Shareholders under the Retail Entitlement Offer	189,807,694	37.6%	4,285,716	0.8%
0% take up by Eligible Shareholders under the Retail Entitlement Offer	200,802,733	39.8%	4,285,716	0.8%

Notes:

1. Assumes the Underwriting Agreement is not terminated prior to settlement of any aspect of the Entitlement Offer, and the Underwriter complies with its obligations under the Underwriting Agreement and Mr Ward, as sub-underwriter, complies with its obligations under the sub-underwriting agreement.

2. Calculated on the basis of 1 New Share per 3.22 Existing Shares held at the Record Date.

3. Subject to rounding.

Accordingly, following completion of the Retail Entitlement Offer and on the assumption that the Underwriting Agreement is not terminated, Mr Ward's voting power in the Company will be no less than 31.9% and will not exceed 39.8%.

The Company understands that, to the extent Mr Ward's relevant interests in the Company exceed 33.3%, the Sub-underwriter intends to rely on the exception to section 606 of the Act set out in item 10A of section 611 of the Act.

Given the structuring of the sub-underwriting, the relevant interest of Mr Ward will not exceed 39.8% on the basis of the Entitlement Offer. What this means is that Mr Ward could continue to have a voting interest which could block a special resolution on which it is entitled to vote at a general meeting of the Company, whether under its constitution, the Corporations Act or otherwise (including, for example, the implementation of a takeover of the Company by way of a scheme of arrangement).

5.9 Rationale for a significant shareholder sub-underwriting the Entitlement Offer and Mr Scobie Ward's intentions

The Company intends to market the Entitlement Offer to existing shareholders to reduce as far as possible the extent of the underwriting of the Entitlement Offer by the Underwriter and consequently, the requirement of Mr Ward 's to sub-underwrite the Entitlement Offer in such a way as could see its voting power of Mr Ward increase to as much as 39.8%.

In this regard, the Company considers that the Underwriter's (and sub-underwriters) backing of the Company is likely to be seen as a positive, making it more likely that the Company will be able to attract additional take up than would be the case if the Underwriter (and sub-underwriters) was not underwriting the Offer.

The Company made the decision to enter into the Underwriting Agreement and agreed to the sub-underwritings taking into account all other alternatives, including the availability and cost involved in third party underwriting.

Mr Scobie Ward's intentions

Mr Ward has confirmed to the Company that, if it increases its influence in the Company as a result of the Entitlement Offer, it has no present intention to:

- (a) change the business of the Company;
- (b) inject further capital into the Company, this may however change on the basis of the Company's future funding requirements;
- (c) make changes regarding the future employment of the present employees of the Company;
- (d) transfer any assets between the Company and Mr Ward or his associates;
- (e) redeploy any fixed assets of the Company; or
- (f) significantly change the financial or dividend distribution policies of the Company,

and it has a present intention to:

- (g) execute the Company's strategy as previously disclosed to the market and support the long-term ambitions of the Company; and
- (h) assist the Company and its management team in the next phase of the Company's development through commercialisation of current and new products.

5.10 Use of funds

The funds raised from the Equity Raising are planned to be used in accordance with the table set out below:

Proceeds of the Equity Raising	Amount (Entitlement Offer and Placement) \$'M
Research & Development Animal and plant based scientific research and development including commercial trials and new product formulation	\$2.5m
Product Commercialisation Costs associated with procurement of, and global regulatory approvals for, commercial quantities of Dry MYLO as well as commercialisation costs for education campaigns and partnerships to drive market penetration	\$1.9m
Costs of the Offer¹	\$0.4m
Total	\$4.8m

Notes:

1. Refer to Section 6.10 of this Retail Offer Booklet for further details relating to the estimated expenses of the Equity Raising Offer.

The above table is a statement of current intentions as of the date of this Retail Offer Booklet. As with any budget, intervening events and new circumstances have the potential to affect the manner in which the funds are ultimately applied. The Board reserves the right to alter the way funds are applied on this basis.

On completion of the Equity Raising and taking into account existing cash reserves, the Board believes the Company will have sufficient working capital to achieve the above objectives. It should be noted that the Company's budgets and forecasts are subject to modification on an ongoing basis depending on the results achieved from its business activities and operations. The table above is a statement of the Board's current intentions as at the date of this Information Booklet.

6 Additional information

6.1 Eligibility of Retail Shareholders

The Retail Entitlement Offer is being offered to Eligible Retail Shareholders only.

Eligible Retail Shareholders are Shareholders on the Record Date (i.e., 7.00pm (Sydney time) on Monday, 9 December 2024) who:

- (a) either:
 - (i) have an address on the Terragen register in Australia or New Zealand; or
 - (ii) are an Institutional Investor who was not invited to participate in the Institutional Entitlement Offer.
- (b) are not in the United States and are not a person (including nominees or custodians) acting for the account or benefit of a person in the United States;
- (c) are not an Eligible Institutional Shareholders and were not treated as an Ineligible Institutional Shareholder under the Institutional Entitlement Offer; and
- (d) are eligible under all applicable securities laws to receive an offer under the Retail Entitlement Offer (and, for the avoidance of doubt, without any requirement for a prospectus or offer document to be lodged or registered).

Terragen has determined that it is unreasonable to extend the Retail Entitlement Offer to Ineligible Retail Shareholders because of the small number of such Shareholders, the number and value of Shares that they hold and the cost of complying with the applicable regulations in jurisdictions outside Australia and New Zealand.

6.2 Ranking of New Shares

The New Shares issued under the Retail Entitlement Offer will be fully paid and rank equally with Existing Shares.

6.3 Shares

The following is a summary of the more significant rights and liabilities attaching to the Shares to be issued under the Entitlement Offer.

This summary is not exhaustive and does not constitute a definitive statement of the rights and liabilities of Shareholders. You should seek independent legal advice to obtain such a statement.

Full details of the rights and liabilities attaching to Shares are set out in the Constitution, a copy of which is available on the Company's website and for inspection at the Company's registered office during normal business hours.

Voting:	At a general meeting, except where otherwise provided by the Corporations Act in respect of when a poll is to be demanded, resolutions are to be decided by a show of hands. A poll must be demanded by the chairperson where a poll is required to comply with the requirements of the Listing Rules. A poll may be demanded on a resolution by at least 5 members entitled to vote, members with at least 5% of the votes or the chairman of the meeting. A Shareholder is not entitled to vote at a general meeting unless all calls and other sums presently payable by the Shareholder in respect of Shares in the Company have been paid.
General meetings and notices:	The Company shall call an annual general meeting in accordance with the Corporations Act. The Board may convene and arrange to hold a general meeting whenever the Directors think fit. Members, Directors and auditors of the Company are entitled to receive notice of and attend meetings. Preference shareholders can only vote on the

	limited issues outlined in the Constitution. The quorum for a meeting of Shareholders is three members present and entitled to vote.
Dividends:	Subject to the Corporations Act, the Constitution, and the terms of issue or rights of any shares with special rights to dividends, the Board may determine or declare that a dividend is payable, fix the amount and the time and method for payment and authorise payment.
Reserves:	The board may set aside out of the profits of the Company such amounts as the directors consider appropriate, to be applied for any purpose for which the profits of the Company may be properly applied. Any amount set aside as a reserve is not required to be held separately from the Company's other assets and may be used by the company or invested as the board thinks fit, except to buy the Company's shares.
Issue of Shares:	Subject to the ASX Listing Rules, the Constitution and any special rights and restrictions conferred on holders of a class of shares or other securities, the issue of Shares in the Company is under the control of the Board who may issue, allot or dispose of shares in the Company on any conditions as determined by the Board. Subject to the Corporations Act, the Constitution and any rights attaching to any class of shares, the Company may alter the Company's share capital outlined in the Constitution.
Transfer of Shares:	Subject to the constitution and the ASX Listing Rules, a share in the Company is transferable in accordance with applicable Operating Rules, by means of a written instrument of transfer in any form approved by the Board and permitted by law, by a proper ASTC transfer, or by any other method of transfer permitted by the Corporations Act.
Shareholder liability:	If members fail to pay a call or another amount that is payable on shares on the due date, the board may notify the shareholder that they require payment of the amount, together with any interest that has accrued, on or before a specified date and state if payment is not made on or before the date specified, the shares in respect of which the call was made are liable to be forfeited.
Winding up:	If the Company is wound up, the liquidator may, with the sanction of a special resolution, divide among the members in kind the whole or any part of the property of the Company. The liquidator may set such value as the liquidator considers fair on any property to be so divided and may determine how the division is to be carried out as between the members or different classes of members.
Variation of rights:	The Company can only vary or cancel the rights attaching to a class of shares if the holders of 75% of the shares issued in that class consent, in writing, to the variation or cancellation or a special resolution is passed at a general meeting of the holders of that class of shares allowing the variation or cancellation to be made.
Directors – Appointment, retirement and removal:	The Company may, by resolution increase or decrease the number of Directors, with the minimum number of Directors being three and the maximum being ten. At each annual general meeting one-third of the Directors (except for the managing director) shall retire from office by rotation. The Directors to retire in every year shall be those who have been longest in office since their last election but as between persons who became Directors on the same day shall (unless they otherwise agree between themselves) be determined by lot. The retiring Directors shall be eligible for re-election. At a general meeting the Company may, by resolution, appoint and/or remove a director, but not so as to have more than the maximum or fewer than the minimum number of Directors. A Director must not continue in office beyond the third annual general meeting following their appointment without submitting to re-election.
Decisions of Directors:	The quorum for a meeting of Directors is two, unless otherwise determined. Questions arising at any meeting of Board shall be decided by a majority of votes. A determination of a majority of Board is for all purposes taken to be a determination of the Board. If the votes are equal, the chairperson of the meeting shall not have a second or casting vote.
Alteration to the constitution:	This Constitution may be modified or repealed only by a special resolution of the Company in a general meeting.

6.4 Dividend policy

Terragen does not intend to declare or pay a dividend in the immediate future. Any future determination as to the payment of dividends by the Company will be at the sole discretion of the Directors 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 directors. No assurance in relation to the payment of dividends or franking credits attaching to dividends can be given by the Company.

6.5 Allotment

Terragen will apply for quotation of the New Shares on ASX in accordance with ASX Listing Rule requirements. If ASX does not grant quotation of the New Shares, Terragen will repay all Application Money (without interest) to Applicants.

Trading of New Shares will, subject to ASX approval, occur shortly after issue and allotment. It is expected that issue and allotment of the New Shares under the Retail Entitlement Offer will take place on Thursday, 23 January 2025. Application Money will be held by Terragen on trust for Applicants until the New Shares are issued and allotted. No interest will be paid on Application Moneys.

Subject to approval being granted, it is expected that the New Shares issued and allotted under the Retail Entitlement Offer will commence trading on a normal basis on Friday, 24 January 2025.

It is the responsibility of Applicants to determine the number of New Shares allotted and issued to them prior to trading in the New Shares. The sale by an Applicant of New Shares prior to receiving their holding statement is at the Applicant's own risk and the Lead Manager disclaim all liability whether in negligence or otherwise (to the maximum extent permitted by law) to persons who trade New Shares before receiving their holding statements, whether on the basis of confirmation of the allocation provided by Terragen or the Share Registry or otherwise.

6.6 Reconciliation

In any entitlement offer, investors may believe that they own more Existing Shares on the Record Date than they ultimately do. This may result in a need for reconciliation to ensure all Eligible Shareholders have the opportunity to receive their full Entitlement.

Terragen may need to issue a small quantity of additional New Shares to ensure all Eligible Shareholders have the opportunity to receive their appropriate allocation of New Shares. The price at which these New Shares would be issued, if required, is the same as the Offer Price.

Terragen also reserves the right to reduce the number of an Entitlement or New Shares allocated to Eligible Shareholders or persons claiming to be Eligible Shareholders, if their Entitlement claims prove to be overstated, if they or their nominees fail to provide information requested to substantiate their Entitlement claims, or if they are not Eligible Shareholders.

6.7 Underwriting Arrangement

The Lead Manager is acting as lead manager and underwriter to the Entitlement Offer.

Terragen has entered into an Underwriting Agreement with the Lead Manager in respect of the Entitlement Offer. Please see Section 5.1 for a summary of the termination provisions of the Underwriting Agreement.

Further details on the underwriting and sub-underwriting is contained in Section 5.1 and Section 5.5.

6.8 Lead Manager

None of the Lead Manager nor the Lead Manager Parties have authorised, permitted or caused the issue, despatch or provision of this Retail Offer Booklet and they do not take responsibility for any statements made in this Retail Offer Booklet or any action taken by you on the basis of such

information. The Lead Manager has not authorised, approved or verified any part of this Retail Offer Booklet. To the maximum extent permitted by law, each Lead Manager Party excludes and disclaims all liability for any expenses, losses, damages or costs incurred by you as a result of your participation in the Entitlement Offer and this Retail Offer Booklet being inaccurate or incomplete in any way for any reason, whether by negligence or otherwise, and makes no representation or warranty, express or implied, as to the currency, accuracy, reliability or completeness of this Retail Offer Booklet.

The Lead Manager Parties take no responsibility for any part of the Retail Offer Booklet or liability (including, without limitation, any liability arising from fault or negligence on the part of any person) for any direct, indirect, consequential or contingent loss or damage whatsoever arising from the use of any part of the Retail Offer Booklet or otherwise arising in connection with it.

None of the Lead Manager Parties make any recommendations as to whether you or your related parties should participate in the Entitlement Offer, nor do they make any representations or warranties, express or implied, to you concerning this Entitlement Offer or any such information and you represent, warrant and agree that you have not relied on any statements made by the Lead Manager Parties in relation to the New Shares or the Entitlement Offer generally.

6.9 Continuous disclosure

Terragen is a 'disclosing entity' under the Corporations Act and is subject to regular reporting and disclosure obligations under the Corporations Act and the ASX Listing Rules, including the preparation of annual reports and half yearly reports.

Terragen is required to notify ASX of information about specific events and matters as they arise for the purposes of ASX making that information available to the stock markets conducted by ASX. In particular, Terragen has an obligation under the ASX Listing Rules (subject to certain exceptions) to notify ASX immediately of any information of which it is or becomes aware which a reasonable person would expect to have a material effect on the price or value of Terragen shares. That information is available to the public from ASX.

This Retail Offer Booklet is intended to be read in conjunction with the publicly available information in relation to the Company which has been notified to ASX and does not include information that would be included in a disclosure document or that investors ought to have regard to in deciding whether to subscribe for New Shares under the Entitlement Offer. Investors should therefore have regard to the other publicly available information in relation to the Company before making a decision whether or not to invest.

All announcements made by the Company are available from its website www.Terragen.com or the ASX www.asx.com.au.

6.10 Expenses of the Equity Raising

The total expenses of the Equity Raising are estimated to be approximately \$376,000 (including GST) and are expected to be applied towards the items set out in the table below:

Expense type	\$'000
ASX fees	\$18
Lead Manager fees	\$181
Legal fees ¹	\$147
Other costs ²	\$30
Total	\$376

1. This includes legal fees for the lawyers advising on international jurisdictions, lawyers advising the Underwriter and lawyers for the Company.

2. This includes costs relating to Registry fees, printing and other miscellaneous items.

7 Australian taxation consequences

7.1 General

This Section 7 does not constitute financial product advice as defined in the Corporations Act and is confined to taxation issues and is only one of the matters you need to consider when making a decision about your investments.

Below is a general summary of the Australian income tax (including capital gains tax (**CGT**)), goods and services tax (**GST**) and stamp duty implications of the Retail Entitlement Offer for Eligible Retail Shareholders being individuals, complying superannuation entities, trusts, partnerships and corporate investors, who are Australian tax residents and hold their Existing Shares and New Shares, or additional New Shares acquired under the Oversubscription Facility on capital account.

This summary is based upon the provisions of taxation laws including the *Income Tax Assessment Act 1936* (Cth) (**ITAA 1936**), the *Income Tax Assessment Act 1997* (Cth) (**ITAA 1997**) and the *Taxation Administration Act 1953* (Cth) (**TAA 53**) as at the date of this Retail Offer Booklet. We note that taxation laws are complex in nature and often change, both prospectively and, on some occasions, retrospectively. Further, the application of taxation laws is subject to interpretation by the courts and tax authorities, which can change over time.

The general commentary provided below does not apply to Eligible Retail Shareholders who:

- (a) are not a resident for Australian income tax purposes;
- (b) are a temporary resident for Australian income tax purposes;
- (c) are exempt from Australian income tax;
- (d) hold their Existing Shares and New Shares, or additional New Shares acquired under the Oversubscription Facility as revenue assets or trading stock (which will generally be the case if you are a bank, insurance company or carry on a business of share trading) or acquired their Shares or New Shares for the purpose of resale at a profit;
- (e) are subject to the 'TOFA provisions' in Division 230 of the ITAA 1997 in relation to the Existing Shares or New Shares, or additional New Shares acquired under the Oversubscription Facility; or
- (f) acquired the New Shares in respect of which the Entitlements are issued under any employee share scheme or where the New Shares are acquired pursuant to any employee share scheme.

This summary is general in nature and is not intended to be an authoritative or complete statement of all potential tax implications for each investor or relied upon as tax advice. This summary does not take account of the individual circumstances of particular Eligible Retail Shareholders and does not constitute tax advice and should not be relied upon as such. The precise implications of ownership or disposal will depend upon each investor's specific circumstances. Eligible Retail Shareholders should seek advice from an appropriate professional adviser in relation to the tax implications of the Retail Entitlement Offer based on their own individual circumstances.

The comments below are based on the Australian tax legislation and administrative practice in force as at 9.00am (Sydney time) on the date of this Retail Offer Booklet. Other than as expressly discussed, the comments do not take into account or anticipate changes in Australian tax law or future judicial interpretations of law after this time, unless otherwise specified. The comments also do not take into account tax legislation of any country other than Australia.

Terragen and its officers, employees, taxation advisers or other advisers do not accept any liability or responsibility in respect of any statement concerning taxation consequences, or in respect of the taxation consequences.

7.2 Issue of Entitlement

The issue of the Entitlement should not in itself result in any amount being included in the assessable income of an Eligible Retail Shareholder.

7.3 Exercise of Entitlement and applying for additional New Shares

New Shares will be acquired where an Eligible Retail Shareholder exercises all or part of its Entitlement under the Retail Entitlement Offer. Additional New Shares will be acquired where the Eligible Retail Shareholder acquires additional New Shares under the Oversubscription Facility.

An Eligible Retail Shareholder should not derive any assessable income, or make any capital gain or capital loss at the time of exercising its Entitlement under the Retail Entitlement Offer.

For Australian CGT purposes, New Shares should be taken to have been acquired on the day that an Eligible Retail Shareholder exercises its Entitlement and additional New Shares will be taken to have been acquired on the date the additional New Shares were issued to the Eligible Retail Shareholder under the Oversubscription Facility. The cost base of each New Share should be equal to the Offer Price (plus certain non-deductible incidental costs the Eligible Retail Shareholder incurs in acquiring the New Shares).

7.4 Lapse of Entitlement

If an Eligible Retail Shareholder does not accept all or part of its Entitlement in accordance with the instructions set out in Sections 4.3 and 4.4, then that Entitlement (in whole or in part) will lapse. The Eligible Retail Shareholder will not receive any consideration for an Entitlement that is not taken up. There should be no Australian tax implications for an Eligible Retail Shareholder from the lapse of the Entitlement.

7.5 Taxation in respect of dividends on New Shares

Any future dividends or other distributions made in respect of New Shares and additional New Shares acquired under the Oversubscription Facility should be subject to the same income taxation treatment as dividends or other distributions made on Existing Shares held in the same circumstances.

It is possible for a dividend to be fully franked, partly franked or unfranked. Franking credits broadly represent the extent to which Australian corporate tax paid at the company level has been attributed to the dividend. 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 such things as off-market share buy-backs.

(a) Australian resident individuals and complying superannuation entities

Any dividends paid by Terragen on New Shares, or additional New Shares acquired under the Oversubscription Facility will constitute assessable income of an Australian tax resident investor. Australian tax resident investors who are individuals or complying superannuation entities should include the dividend, grossed-up for any franking credit attached to that dividend, in their assessable income in the year the dividend is paid.

Such investors may be entitled to a tax offset equal to the franking credit attached to the dividend, subject to the conditions referred to in (d) below. The tax offset can be applied to reduce the tax payable on the investor's taxable income. Where the tax offset exceeds the tax payable on the investor's taxable income, the investor should be entitled to a tax refund equal to the excess.

To the extent that the dividend is unfranked, the investor will generally be taxed at their tax rate on the dividend received (with no tax offset).

(b) Corporate investors

Corporate investors are required to include both the dividend and any associated franking credit in their assessable income. Subject to the rules outlined at (d) below,

corporate investors may then be entitled to a tax offset up to the amount of the franking credit attached to the dividend. Excess franking credits received by corporate investors will not give rise to a refund entitlement, but can generally be converted into carry forward tax losses instead.

An Australian resident corporate investor should be entitled to a credit in its own franking account to the extent of the franking credits attached to the distribution received. This will allow the corporate investor to pass the franking credits on to its own shareholders on the subsequent payment of franked dividends.

(c) Trusts and partnerships

Investors who are trustees (other than trustees of complying superannuation entities) or partnerships should include both the dividend and any associated franking credit in determining the assessable income and therefore net income of the trust or partnership.

A trust beneficiary or partner may be entitled to a tax offset equal to such of those franking credits included in the beneficiary's share of the income of the trust estate or partner's share of the net income of the partnership. Again, this is subject to the rules outlined at (d) below.

(d) Shares held at risk

The benefit of franking credits can be denied where an investor is not a 'qualified person', in which case the investor will not need to include the amount of the franking credits in their assessable income and will not be entitled to a tax offset.

Broadly, to be a 'qualified person', 2 tests must be satisfied, namely the holding period rule and the related payment rule:

- (i) Under the holding period rule, an investor is required to hold New Shares 'at risk' for more than 45 days continuously (which is measured as the period commencing the day after the Shares were acquired and ending on the 45th day after the New Shares become ex-dividend) in order to qualify for franking benefits, including franking credits. This holding period rule is subject to certain exceptions, including where the total franking offsets of an individual in a year of income do not exceed \$5,000.
- (ii) Under the related payment rule, a different testing period applies where the investor has made, or is under an obligation to make, a related payment in relation to the dividend. The related payment rule, if applicable, requires the investor to have held the New Shares at risk for the continuous 45-day period as above but within the period commencing on the 45th day before, and ending on the 45th day after the day the New Shares become ex-dividend.

Investors should seek professional advice to determine if these requirements, as they apply to them, have been satisfied.

There are specific integrity rules that prevent taxpayers from obtaining a tax benefit from additional franking credits where dividends are received as a result of 'dividend washing' arrangements. Shareholders should consider the impact of these rules given their own personal circumstances.

7.6 Disposal of New Shares or additional New Shares

The disposal of New Shares or additional New Shares acquired under the Oversubscription Facility should constitute a disposal for CGT purposes for most Australian resident investors. Some investors may hold their New Shares or additional New Shares on revenue account, as trading stock or for the purpose of resale at a profit, or be subject to the "Taxation of Financial Arrangements" regime. The commentary outlined in this section does not apply to such investors, who should seek their own professional advice in respect of the consequences of a disposal of shares.

On disposal of a New Share or additional New Shares acquired under the Oversubscription Facility, an Eligible Retail Shareholder should make a capital gain if the capital proceeds in respect of the disposal exceed the total cost base of the New Share or additional New Shares. An Eligible Retail Shareholder should make a capital loss if the capital proceeds are less than the total reduced cost base of the New Share or additional New Shares. In the case of an arm's length on-market sale, the capital proceeds should generally equal the cash proceeds from the sale. The CGT cost base of the New Shares and additional New Shares is broadly the amount paid to acquire the New Shares or additional New Shares plus any transaction/incidental costs for which no tax deduction is allowable.

Where the Eligible Retail Shareholder is a partnership, the partners of that partnership (and not the partnership itself) should ordinarily be treated as realising any capital gain arising from the disposal (in their proportionate shares).

A CGT discount may be applied against any capital gain (after reduction of the capital gain by applicable capital losses) where the Eligible Retail Shareholder which realises the capital gain is an individual, complying superannuation entity or trustee. The CGT discount may be applied in these circumstances, provided that the New Shares or additional New Shares acquired under the Oversubscription Facility have been held for at least 12 months (not including the date of acquisition or disposal for CGT purposes) and certain other requirements have been satisfied.

Where the CGT discount applies, any capital gain arising to individuals and entities acting as trustees (other than trustees of a complying superannuation entity) may be reduced by 50%, after offsetting current year or prior year capital losses. For a complying superannuation entity, any capital gain may be reduced by one-third, after offsetting current year or prior year capital losses.

If the Eligible Retail Shareholder who realises the capital gain and is entitled to the CGT discount is the trustee of a trust (other than the trustee of a complying superannuation entity), the CGT discount may be available to the beneficiaries of the trust who are assessed on the trust's capital gain, other than a beneficiary that is a company. As the rules relating to CGT and trusts are complex, Eligible Retail Shareholders that are trustees should seek specific advice regarding the tax consequences of distributions to beneficiaries who may qualify for the CGT discount.

Eligible Retail Shareholders that are companies (not acting in a trustee capacity) are not eligible for the CGT discount. The full capital gain realised on disposal would be subject to tax at the applicable corporate income tax rate.

Capital losses may only be offset against capital gains realised in the same income year or future income years. For Eligible Retail Shareholders that are companies, the claiming of capital losses depends on certain loss recoupment tests being satisfied. Capital losses cannot be offset against other assessable income. As with capital gains, where the Eligible Retail Shareholder realising the capital loss is a partnership, the partners of that partnership (and not the partnership itself) should ordinarily be treated as realising the capital loss (in their proportionate shares).

7.7 Taxation of Financial Arrangements (TOFA)

The TOFA provisions operate to make gains or losses (arising from certain financial arrangements) assessable or deductible. Certain taxpayers (including individuals) are generally excluded from the operation of the TOFA provisions; however, they can make an election for it to apply. Shareholders who are subject to TOFA should obtain their own tax advice as the particular implications under TOFA (if any) will depend on their individual circumstances.

7.8 GST

The rights received under the Entitlement as well as the taking up of the New Shares and additional New Shares acquired under the Oversubscription Facility should be classified as an 'input taxed financial supply' for Australian GST purposes. Accordingly, Australian GST should not be payable in respect of amounts paid for the acquisition of the New Shares or additional New Shares acquired under the Oversubscription Facility.

No GST should be payable in respect of dividends paid to Eligible Retail Shareholders.

An Australian resident Eligible Retail Shareholder registered for GST may not be entitled to claim full input tax credits in respect of GST on expenses incurred relating to the acquisition, redemption or disposal of the Shares or New Shares or additional New Shares (e.g. lawyers' and accountants' fees).

Investors should seek their own tax advice on the impact of GST in their own particular circumstances.

7.9 Stamp duty

Stamp duty should not be payable by Eligible Retail Shareholders in respect of receiving rights under the Entitlement, the taking up of New Shares under the Retail Entitlement Offer or additional New Shares acquired under the Oversubscription Facility on the assumption that all acquisitions occur when all of the securities in Terragen are quoted on the market operated by ASX and no Shareholder (together with interests of associated persons and interests acquired under associated transactions) holds an interest of 90% or more in Terragen.

7.10 Tax file numbers

An investor is not required to quote their tax file number (**TFN**) to Terragen. However, if a TFN (or certain exemption details) is not provided, Australian withholding tax may be required to be deducted by Terragen from dividends at the maximum marginal tax rate plus the Medicare levy. An investor who holds Shares or New Shares as part of an enterprise may quote its Australian Business Number instead of its TFN.

8 Definitions

\$ or cents means Australian dollars or cents.

Additional Shares means New Shares that are in excess of the Entitlement of an Eligible Retail Shareholder.

Applicant means an Eligible Retail Shareholder who has submitted a valid Application.

Application means the arranging for payment of the relevant Application Money through BPAY® in accordance with the instructions on the Entitlement and Acceptance Form.

Application Money means the aggregate amount payable for the New Shares applied for through BPAY®.

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited (ACN 008 624 691) and the securities exchange operated by it.

ASX Announcements means the initial announcement in relation to the Equity Raising released to ASX on Thursday, 5 December 2024 and the announcement in relation to the completion of the Institutional Entitlement Offer and Placement released to ASX on Monday, 9 December 2024 incorporated in Annexure A of this Retail Offer Booklet.

ASX Listing Rules means the official listing rules of ASX.

BPAY means BPAY Pty Ltd (ABN 69 079 137 518).

CGT means capital gains tax.

Closing Date means 5.00pm (Sydney time) on Thursday, 16 January 2025, being the day the Retail Entitlement Offer closes.

Corporations Act means the *Corporations Act 2001* (Cth).

CRN means the unique Customer Reference Number on the personalised Entitlement and Acceptance Form.

Directors means the directors of Terragen.

Eligible Institutional Shareholder means, in accordance with sections 708(8) and (11) of the Corporations Act, respectively, a sophisticated or professional Shareholder on the Record Date who:

- (a) is not an Ineligible Institutional Shareholder; and
- (b) successfully received an invitation from the Lead Manager to participate in the Institutional Entitlement Offer (either directly or through a nominee).

Eligible Retail Shareholder has the meaning given in Section 6.1.

Entitlement means the right to apply for 1 New Share for every 3.22 Existing Shares held by eligible Shareholders on the Record Date, pursuant to the Entitlement Offer.

Entitlement and Acceptance Form means the entitlement and acceptance form accompanying this Retail Offer Booklet.

Entitlement Offer means the Institutional Entitlement Offer and the Retail Entitlement Offer.

Equity Raising means the Placement and the Entitlement Offer.

Existing Shares means the Shares already on issue on the Record Date.

GST means goods and services tax, as defined in the GST Act.

GST Act means the *A New Tax System (Goods and Services Tax) Act 1999* (Cth).

Ineligible Institutional Shareholder means a Shareholder who is an institutional or sophisticated Shareholder on the Record Date with an address on the Terragen share register outside the Permitted Jurisdictions or to whom ASX Listing Rule 7.7.1(a) applies.

Ineligible Retail Shareholder means a Shareholder (or beneficial holder of Shares) other than an Eligible Institutional Shareholder, Ineligible Institutional Shareholder or Eligible Retail Shareholder.

Institutional Entitlement Offer means the pro rata accelerated non-renounceable entitlement offer to Eligible Institutional Shareholders.

Institutional Investor means an institutional or professional investor who is a Shareholder that did not receive an invitation to participate in the Institutional Entitlement Offer and to whom an offer of New Shares may be made to a person:

- (a) in the case of a person with a registered address in Australia, who is an "exempt investor" as defined in ASIC Corporations (Non-Traditional Rights Issue) Instrument 2016/84;
- (b) if in Hong Kong, who is a "professional investor" (as defined under the Securities and Futures Ordinance of Hong Kong, Chapter 571 of the Laws of Hong Kong);
- (c) if in United Kingdom, who is (i) a "qualified investor" within the meaning of Article 2(e) of the Prospectus Regulation (2017/1129/EU), replacing Section 86(7) of the UK Financial Services and Markets Act 2000; and (ii) within the categories of persons referred to in Article 19(5) (investment professionals) or Article 49(2)(a) to (d) (high net worth companies, unincorporated associations, etc.) of the UK Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended; or

in the case of any other country, with the written approval of the Company considering applicable securities laws, to an institutional or professional investor to whom an offer of Shares may lawfully be made without the need for a prospectus or other disclosure document or other lodgement, registration, filing with or approval by a governmental agency (other than one with which Terragen is willing, in its absolute discretion, to comply).

Investor Presentation means the presentation to investors released to ASX on Thursday, 5 December 2024 incorporated in Annexure A of this Retail Offer Booklet.

Lead Manager means Morgans Corporate Limited ACN 010 539 607.

Lead Manager Parties means the Lead Manager's affiliates, related bodies corporate (as that term is defined in the Corporations Act), and their respective directors, employees, officers, representatives, agents, partners, consultants and advisers.

New Shares means Shares to be allotted and issued under the Entitlement Offer.

Offer Information Line means 1300 330 255 (within Australia) or +61 1300 330 255 (outside Australia). The Offer Information Line will be answered live and operate between 8.30am and 5.30pm (Sydney time) on Monday to Friday during the Retail Entitlement Offer period.

Offer Price means \$0.035 per New Share.

Other Sub-underwriters means each of Directors Mr Mike Barry, Mr Richard Norton, Mr Andrew Guthrie and CFO, Mr Matthew Whyte, Ceres Capital Pty Ltd and any other sub-underwriters appointed following the opening of the Retail Entitlement Offer.

Oversubscription Facility means the opportunity for Eligible Retail Shareholders who take up all of their Entitlement to also apply for additional New Shares in excess of their Entitlement.

Permitted Jurisdictions means Australia, New Zealand, Hong Kong, the United Kingdom, the United States and any other jurisdiction as may be agreed between the Lead Manager and Terragen.

Placement means the institutional placement to institutional investors announced to ASX on Thursday, 5 December 2024 that raised approximately \$0.77 million at the Offer Price.

Record Date means 7.00pm (Sydney time) on Monday, 9 December 2024.

Retail Entitlement Offer means the pro rata non-renounceable offer to Eligible Retail Shareholders to apply for 1 New Share for every 3.22 Existing Shares of which the Shareholder is the registered holder on the Record Date, at an Offer Price of \$0.035 per New Share pursuant to this Retail Offer Booklet.

Retail Offer Booklet means this document.

Section means a section in this document.

Share means a fully paid ordinary share in the capital of Terragen.

Share Registry means Link Market Services Limited.

Shareholder means a holder of Shares.

Shortfall Shares means any New Shares not taken up under the Entitlement Offer or under the Oversubscription Facility (as relevant).

Timetable means the indicative timetable set out in the 'Key dates' section of this Retail Offer Booklet.

Terragen means Terragen Holdings Limited ACN 073 892 636.

Underwriter Morgans Corporate Limited ACN 010 539 607.

Underwriting Agreement means the underwriting agreement between Terragen and the Lead Manager.

U.S. Securities Act means the *U.S. Securities Act of 1933*, as amended.

9 Corporate information

Terragen

Terragen Holdings Limited ACN 073 892 636
Unit 6, 41 Access Crescent
Coolumb, QLD, 4573

Tel: : 1300 837 724 (AU Only)

www.terragen.com.au

Terragen Offer Information Line

Australia: 1300 330 255

International: +61 1300 330 255

Open 8.30am to 5.30pm (Sydney time) on Monday to Friday, before the Retail Entitlement Offer closes at 5.00pm (Sydney time) on Thursday, 16 January 2025.

Lead Manager & Underwriter

Morgans Corporate Limited ACN 010 539 607

Australian Legal Adviser

Thomson Geer
Level 28, Waterfront Place
1 Eagle Street
Brisbane QLD 4000

Auditor

SW Audit
Level 10, 530 Collins Street
Melbourne VIC 3000

Share Registry

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

Annexure A - ASX Announcement & Investor Presentation

See page over.

ASX Announcement

LAUNCH OF A\$5.0 MILLION EQUITY RAISING TO FURTHER VALIDATE AND DIVERSIFY THE PRODUCT RANGE THROUGH SCIENTIFIC RESEARCH AS WELL AS ACCELERATE ON GLOBAL COMMERCIALISATION OPPORTUNITIES

Coolum, Australia / 5 December 2024 – Australian research, development and commercialisation company Terragen Holdings Limited ("**Terragen**" or "**the Company**") is pleased to announce the launch of a A\$5.0 million equity raising of new fully paid ordinary shares (**New Shares**) at an offer price of A\$0.035 per New Share (**Offer Price**).

Highlights

- Terragen is undertaking an Equity Raising of approximately A\$5.0 million to fund scientific research and development as well as accelerate on global commercialisation opportunities, in addition to supporting working capital and transaction costs.
- The Equity Raising is comprised of a non-underwritten institutional placement to raise approximately A\$1.0 million and a fully underwritten pro rata accelerated non-renounceable entitlement offer to eligible existing shareholders to raise approximately A\$4.0 million.
- Following completion of the Equity Raising, Terragen's pro forma cash position as at 30 June 2024 is approximately A\$9.2 million, post transaction costs.

Beef feedlot trial and distribution agreement update

- Interim results (at 56 days of 110 days on feed) from the Dry Mylo beef feedlot trial at Charles Sturt University (264 cattle in the trial) indicate positive trends in daily weight gains in groups receiving MYLO supplementation. However, results may vary prior to the conclusion of the trial period. Final trial results are expected in late December 2024.
- Terragen is working to finalise terms for a distribution agreement with Australian Independent Rural Retailers (**AIRR**) to purchase, stock and sell Terragen's new Dry Probiotic product range, with the first AIRR orders expected to coincide with our Dry Probiotic launch in March 2025. The conversion from liquid to Dry Probiotics is in place at prominent Australian dairies, beef feedlots, lamb feedlots and performance genetic breeders, with a number of prominent agri-businesses set to trial Dry Mylo. Terragen will update the ASX once binding terms are agreed.

Overview of the Equity Raising

The Equity Raising (defined below) is comprised of:

- a non-underwritten institutional placement of New Shares to raise gross proceeds of approximately A\$1.0 million (utilising ASX Listing Rule 7.1 capacity) to be conducted at the same time as the institutional component of the Entitlement Offer (**Placement**); and
- a fully underwritten¹ 1-for-3.22 pro rata accelerated non-renounceable entitlement offer of New Shares to raise gross proceeds of approximately A\$4.0 million (**Entitlement Offer**),

the Entitlement Offer and Placement are together the **Equity Raising**.

It is expected that approximately 143.2 million New Shares will be issued under the Equity Raising (comprising approximately 38.8% of Terragen's existing issued capital). New Shares issued under the Equity Raising will rank equally with existing ordinary shares. Terragen will, upon issue of the New Shares under the Entitlement Offer and Placement, seek quotation of the New Shares on the ASX.

Terragen's Managing Director and CEO, Mr Richard Norton commented:

"This Equity Raising marks a significant milestone as we seek to commercialise freeze-dried probiotics and bio-stimulants for global markets, reducing the implementation barriers of a liquid-only product range. Research and development within Terragen has been refined to concentrate on commercialisation opportunities to expand our market presence.

We are appreciative of the unwavering support of our shareholders. Your confidence in our vision and commitment to our future has been instrumental in driving Terragen forward.

Shareholders are encouraged to participate in the fully underwritten Entitlement Offer. The Equity Raising will strengthen the balance sheet to continue building data through trials to enter global markets and funding commercialisation plans to meet the regulatory requirements of global markets.

As we move forward, we remain focused on strategic initiatives that will drive our growth and enhance shareholder value. We look forward to keeping you updated on our progress and achievements."

The Entitlement Offer is fully underwritten¹ by Morgans Corporate Limited ACN 010 539 607 (**Morgans, Underwriter**, or the **Lead Manager**). The Placement is not underwritten.

Purpose of the Equity Raising

The proceeds of the Equity Raising will be used to further validate and diversify the product range through scientific research and development across both MYLO® and GLP® as well as accelerate global commercialisation opportunities. In addition, it will support working capital and transaction costs.

Following the Equity Raising, Terragen's pro forma cash position at 30 June 2024 will be approximately A\$9.5 million, pre transaction costs.

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

Placement

Terragen is undertaking the Placement to raise gross proceeds of approximately A\$1.0 million through the issuance of approximately 28.6 million New Shares to eligible new and existing institutional shareholders at the Offer Price.

The Offer Price of A\$0.035 per New Share represents a 2.8% discount to the last traded price of A\$0.036 on Wednesday 4 December 2024. The New Shares issued under the Placement will be issued within Terragen's existing placement capacity under ASX Listing Rule 7.1.

The Placement will be conducted concurrently with the Institutional Entitlement Offer (as described below). New Shares issued under the Placement will not be eligible to participate in the Entitlement Offer.

Terragen reserves the right to increase the size of the Placement if there is additional demand.

Entitlement Offer

The Entitlement Offer is a fully underwritten 1-for-3.22 pro rata accelerated non-renounceable entitlement offer to raise approximately A\$4.0 million through the issue of approximately 114.6 million New Shares.

Under the Entitlement Offer, eligible securityholders are invited to subscribe to 1 New Share for every existing 3.22 shares (**Entitlement**) held as at 7.00pm (Sydney time) on Monday 9 December 2024 (**Record Date**). All New Shares offered under the Entitlement Offer will be issued at the Offer Price of A\$0.035 per New Share, which represents a:

- 2.0% discount to the theoretical ex-rights price (TERP)² of A\$0.036; and
- 2.8% discount to the last close price of Terragen shares of A\$0.036 on Wednesday 4 December 2024.

The Entitlement Offer will be conducted in two parts, an institutional component (**Institutional Entitlement Offer**) and a retail component (**Retail Entitlement Offer**).

The Entitlement Offer is non-renounceable, and Entitlements will not be tradable or otherwise transferable. Eligible shareholders who do not take up their Entitlement under the Entitlement Offer in full or in part, will not receive any value with respect to those Entitlements not taken up.

Institutional Entitlement Offer

Eligible institutional shareholders, being institutional shareholders with a registered address in Australia, New Zealand, Hong Kong, the United Kingdom or the United States, will be invited to participate in the Institutional Entitlement Offer, which is being conducted today, Thursday 5 December 2024 through until 5.00pm (Sydney time) on Thursday 5 December 2024. Eligible institutional shareholders can choose to take up all, or part or none of their Entitlement under the Entitlement Offer.

Institutional entitlements that eligible institutional shareholders do not take up by the close of the Institutional Entitlement Offer, and institutional entitlements that would otherwise have been offered to ineligible institutional shareholders, will be offered to eligible institutional shareholders who apply for New

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 A\$0.036 on Wednesday 4 December 2024 and includes New Shares issued under the Entitlement Offer and Placement.

Shares in excess of their entitlement, as well as to certain other eligible institutional investors who bid into the institutional bookbuild being conducted concurrently with the Institutional Entitlement Offer.

Terragen shares will remain in a trading halt pending completion of the Institutional Entitlement Offer and Placement (**Institutional Offer**).

Retail Entitlement Offer

Eligible retail shareholders with a registered address in Australia or New Zealand as at 7.00pm (Sydney time) on the 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.

Eligible Retail Shareholders can choose to take up all, or part or none of their Entitlement under the Entitlement Offer.

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 (**Oversubscription Facility**). Eligible Retail Shareholder 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. The Company retains absolute discretion regarding allocation under the Oversubscription Facility.

If Eligible Retail Securityholders take no action, they will not be allocated New Shares and their Entitlements will lapse. Eligible Retail Securityholders 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 apply will be outlined in the Retail Offer Booklet, which is expected to be available to Eligible Retail Shareholders on Thursday 12 December 2024. The Retail Offer Booklet is expected to be available on the ASX website beginning Thursday 12 December 2024.

Existing Shareholders with a registered address outside Australia and 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, other than persons that Terragen has (with the prior written agreement of the Lead Manager in their absolute discretion) determined in its discretion are Eligible Retail Shareholders.

Director and key management participation

Major shareholder and Director, Mr Scobie Ward, has indicated a commitment to:

- take up his entitlement to New Shares under the Entitlement Offer subscribing for \$1.34 million; and
- partially sub-underwrite the Entitlement Offer (subject to compliance with all regulatory requirements) subscribing for \$1.39 million,

such that Mr Ward's total subscription is no more than \$2.73 million.

If Mr Ward takes up his Entitlement and sub-underwrites the Entitlement Offer to the maximum of \$2.73 million (and the balance is fully taken up, which will be the case given the Entitlement Offer is fully underwritten), this could result in Mr Ward obtaining a maximum interest in Terragen of approximately 39.2%³.

Please refer to the cleansing notice lodged on 5 December 2024 for further details on control.

Directors, Mr Mike Barry, Mr Richard Norton, Mr Andrew Guthrie and CFO, Mr Matthew Whyte (who are not presently Shareholders of Terragen) will also sub-underwrite the Entitlement Offer to a combined amount of \$100,000.

No Terragen director will participate in the Placement.

Indicative Equity Raising timetable

Event	Time and Date
Trading Halt	Thursday 5 December 2024
Announcement of the Equity Raising	
Institutional Offer opens	Thursday 5 December 2024
Institutional Offer closes	5:00pm Thursday 5 December 2024
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
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

³ On 4 December 2024 ASIC consented to the appointment of Berne No 132 Nominees Pty Ltd (ACN 010 413 591) (an entity related to Morgans) as nominee for the purposes of section 615 of the *Corporations Act 2001* (Cth).

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 Institutional Entitlement Offer or the Retail Entitlement Offer, to accept late applications under the Institutional Entitlement Offer or the Retail Entitlement Offer (either generally or in particular cases) and to withdraw the Institutional Offer or the Retail Entitlement Offer without prior notice. Any extension of the closing date for the Institutional Offer or 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 also lodged on the ASX today (**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 today 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.

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
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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.

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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

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Own enquiries

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Involvement of the Lead Manager

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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.

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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).

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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**).

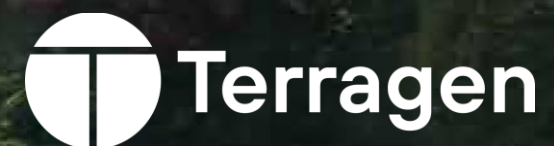
Non- IFRS measures in this announcement are not subject to audit. Readers are cautioned, therefore, not to place undue reliance on any non-IFRS financial information included in this announcement.

Not for release to US wire services or distribution in the United States

5 December 2024

Equity Raising Presentation

1



Terragen Holdings Limited

Disclaimer

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Summary information

This Presentation contains summary information about the Company and its activities current as at 5 December 2024. The information in this Presentation is of a general nature and does not purport to be complete nor does it contain all information which a prospective investor may require in evaluating a possible investment in the Company or that would be required in a prospectus or product disclosure statement prepared in accordance with the requirements of the Corporations Act. The historical information in this Presentation is, or is based on, information that has been released to the ASX. This Presentation should be read in conjunction with the Company's other periodic and continuous disclosure announcements lodged with the ASX, which are available at www.asx.com.au. Any market and industry data that may be used in connection with this Presentation may have been obtained from research, surveys or studies conducted by third parties, including industry or general publications. None of the Company, its representatives or advisers have independently verified that market or industry data provided by third parties or industry or general publications. Statements made in this Presentation are made only as at the date of this Presentation. The information in this Presentation remains subject to change without notice. The Company reserves the right to withdraw the Equity Raising or vary the timetable for the Equity Raising without notice.

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Acknowledgements:

You acknowledge and agree that:

- determination of eligibility of investors for the purposes of the institutional or retail components of the Entitlement Offer is determined by reference to a number of matters, including legal and regulatory requirements, logistical and registry constraints and the discretion of each of Terragen and/or the Lead Manager;
- each of Terragen and the Lead Manager and each of their respective affiliates disclaim any duty or liability (including for negligence) in respect of that determination and the exercise or otherwise of that discretion, to the maximum extent permitted by law;
- the Lead Manager may have interests in the securities of Terragen, including by providing investment banking and debt services to Terragen. Further, it may act as market maker or buy or sell securities or associated derivatives of Terragen as principal or agent; and
- the Lead Manager will receive fees for acting in its capacity as lead manager to the Equity Raising.

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01 — Terragen Overview

Executive Summary

Terragen Overview	<ul style="list-style-type: none"> Terragen Holdings Limited (“Terragen” or “TGH”) specialises in the research, development and commercialisation of biological products for use in the agricultural sector. Terragen is committed to the global commercialisation of its two key products, Dry MYLO® and Great Land Plus® or GLP®, which are supported by many years of in-depth scientific research and have demonstrated positive results in animals and plants. With sustainability at its core, Terragen actively contributes to the decarbonisation of agriculture and improves grower productivity.
Key product portfolio	<ul style="list-style-type: none"> Terragen’s products are underpinned by 3 patent families across 22 countries. MYLO® is a probiotic feed supplement for livestock scientifically proven to increase average daily weight gains and reduce methane production. Dry MYLO® is a new and improved product, offering an extended shelf life and greater production and transport efficiency relative to the liquid product, presenting greater opportunities for global distribution and penetration into new segments such as beef feedlots. It has been scientifically proven to increase lamb average daily weight gains by up to 24% and reduce methane intensity by 30%. GLP® is a plant bio stimulant product for use in cropping that reduces reliance on chemical-based fertilisers, decreasing scope emissions. Charles Sturt University case studies indicated the long-term use of GLP enhances soil profiles, including soil organic carbon. Results also supported user’s reports of reduced chemical fertiliser inputs (up to 40%) and increased pasture biomass (up to 40%).
Outlook for FY25	<ul style="list-style-type: none"> Terragen is on an active commercialisation pathway, with planned release of its Dry Mylo® product in Australia in March 2025, and North American and Brazilian markets from 2026 pending market access approvals. Terragen is pleased to report that we are finalising terms for a distribution agreement with Australian Independent Rural Retailers (AIRR) to purchase, stock and sell Terragen's new Dry Probiotic product range. Strategic partnership signed with contract manufacturer Sacco Italy to support Terragen’s Dry MYLO® manufacturing for global markets, providing further opportunity for distribution partnerships. Interim results from the Dry Mylo beef feedlot trial at Charles Sturt University (264 cattle in the trial) indicate positive trends in daily weight gains in groups receiving MYLO supplementation. Results may vary prior to the conclusion of the trial period. Final trial results expected late Dec 2024.
Equity Raising	<ul style="list-style-type: none"> Terragen is conducting a A\$5.0 million equity raising via an institutional placement of approximately \$1.0 million ("Placement") and a fully underwritten 1 for 3.22 pro-rata Accelerated Non-Renounceable Entitlement Offer for approximately \$4.0 million (before costs) ("ANREO") to eligible securityholders of Terragen, together the ("Offer"). The Offer price of A\$0.035 represents a 2.8% discount to the last traded price of A\$0.036 on Wednesday, 4 December 2024 and a 5.4% discount to the 5-day volume weighted average price (“VWAP”) of A\$0.037.
Purpose of the Equity Raising	<ul style="list-style-type: none"> The Offer proceeds will be used to further validate and diversify the product range through scientific research and development as well as accelerate on global commercialisation opportunities for Dry MYLO®.

About Terragen

Terragen Holdings Limited ASX:TGH
Industry Group: Agricultural Products

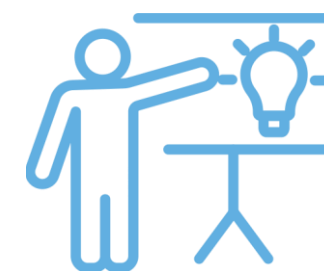
Terragen is a research, development and commercialisation company specialising in the creation of biological products that enhance animal and plant health for agricultural use.

Our proprietary research has resulted in innovative products that enhance yields and produce positive environmental outcomes.



**2009
Founded**

With head office in
Sunshine coast QLD



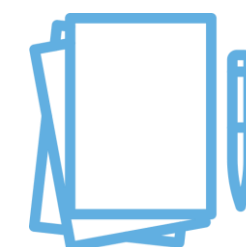
**NEW
Leadership
Team**

8 Researchers
4 Commercial
17+ Employees



IP Protection

3 families of patents
across 22 countries ¹



11 Peer

Reviewed publications
+ 10 Manuscripts pending



\$3.3m

Cash at 30
September 2024



**Distinct
Methodology**

Guides scientific research and
product development to ensure
impact and viability

Investment Highlights

1

Long-standing experience

- Founded in 2009, Terragen has 15 years of experience in the agricultural sector.
- Over 10 successful research trials conducted since inception with a team of 8 research professionals working alongside leading research institutes.
- Terragen continues to invest into scientific research and development to innovate and stay ahead of the competition, with 4 trials currently underway alongside research partners that have supported Terragen for several years.

2

Proven results

- Previous scientific research has proven that MYLO® has led to performance benefits in animals of **24%¹** alongside significant environmental benefits through the reduction in methane intensity by **30%¹**.
- GLP® delivered significant performance benefits across several applications including dairy pasture, silage, lucerne and grape vines, as well as delivering over **40%¹** urea cost savings for farmers.

3

Near-term commercialisation

- Dry MYLO® has proven to be stable when fed to lambs and will be commercially available in Australia, **March 2025**.
- Pending market access approvals, Dry MYLO® will be launched from **2026** in North America and Brazil.
- Proceeds from the equity raising will be used to accelerate the global commercialisation opportunities for Dry MYLO®.

4

Global market opportunity

- Terragen is well-positioned to capture a share of a **\$2.0 billion** global market² for MYLO® (dairy cows and beef cattle) and a **\$2.5 billion³** global market for GLP® based on global hectares of Maize, Canola and Dairy Pastures.
- Phase one of the global regulatory pathways engagement with Knoell consultants for Dry MYLO® now complete.

Funded through commercialisation with pro forma cash balance of \$9.17 million⁴



(1) Refer to page 17 for further details on MYLO® and page 18 for further details on GLP®

(2) Market size estimate based on published data – Episode 3 Economists. Refer to page 24 for further details

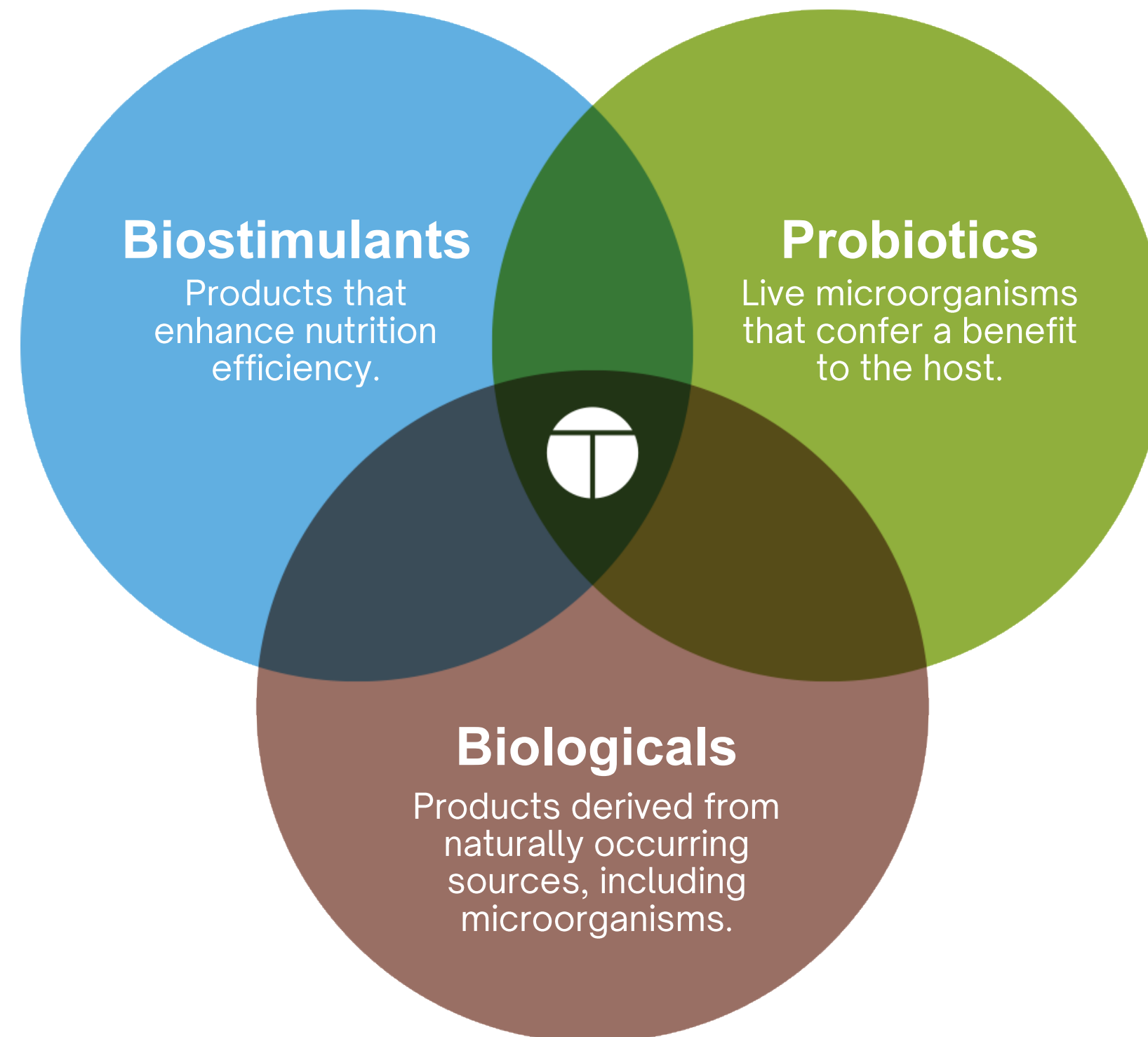
(3) Target market for GLP® subject to market access. Refer to page 24 for further details

(4) Pro forma based on cash balance of \$4.543m as reported at 30 June 2024 and completion of an approximate \$5m equity raising less associated offer costs

Scientific research underpins the use of microorganisms in our product development

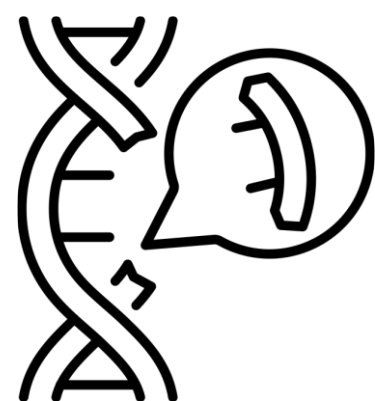
From a commercial perspective, the key is understanding the optimal conditions, combinations and fermentation processes for certain microorganisms to deliver benefits to hosts (animals and plants).

Through an in-depth understanding of microorganisms, Terragen contributes to the decarbonisation of agriculture by improving grower productivity.

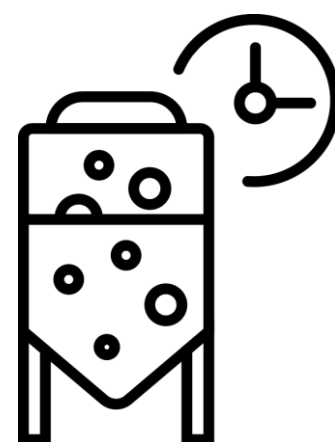


Our competitive advantage: Production know-how and patented microorganism strains

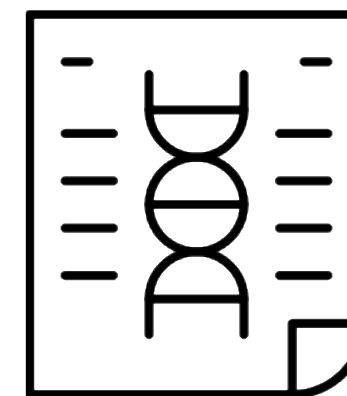
Terragen's use of microbes are protected by patents across **22 countries** including the USA, Brazil and Europe. ¹



DNA of proprietary microbes have been sequenced.



DNA primers to detect and quantify microbes in products and fermentation parameters are a trade secret.



Terragen controls the master seed stock of microbes.



FAMI QS CERTIFIED
UNDER FIAAA



NASAA
CERTIFIED



AQ CERTIFIED
INPUT

Commercialisation pathway for Dry Probiotic range

\$2.1m of sales revenue in FY24

(ANZ liquid sales primarily in dairy)

- Launching Dry Probiotic range Q1 2025

Finalising terms for a distribution agreement with AIRR⁽¹⁾ and AG Warehouse⁽²⁾ to purchase, stock and sell the Dry Probiotic range

- AIRR warehouses' supply over 1000 independent and corporate rural retailers across Australia.
- First AIRR orders to coincide with the Dry Probiotic launch in March 2025.

The conversion of liquid to Dry Probiotics is in place at prominent Australian dairies, beef feedlots, lamb feedlots and performance genetic breeders.



(1) Australian Independent Rural Retailers. Terragen will update the market once binding agreements are entered into

(2) AG Warehouse has 27 stores that supply customers with agricultural products. Terragen will update the market once binding agreements are entered into

(3) The above product images are illustrative only and are subject to change pending internal and regulatory approvals

Prominent agri-businesses trial Dry MYLO®



Leading marketer for sheep, lamb, wool and cattle



Lamb

Large-scale commercial trial on 30,000-head lamb feedlot Wanbi in Loxton, South Australia.



Top 10 largest Wagyu producers globally

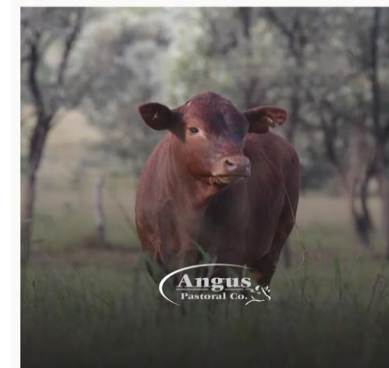


Wagyu Beef

A commercial trial at Dimboola feedlot in Victoria, assessing the impact of probiotics on long-feed Wagyu cattle.



Global beef exporter and long-term user of probiotics in feedlots



Export Beef

Probiotic feed supplement comparative trial whereby animal performance will be measured across probiotics including Dry MYLO.



A leading Australian genetics supplier









Beef Genetics

Comparing the outcomes of beef probiotics in a commercial genetics production system.

Terragen will be aiming to secure long-term supply agreements with commercial partners including those mentioned above.

Pipeline of MYLO[®] scientific research to further validate and diversify our products for commercialisation

Expected completion	Research focus area	Institution partner
Dec 2024	<p>Beef Trial in a research feedlot evaluating different doses of Dry MYLO[®] to determine the optimal dosages for the product in beef cattle in commercial settings. There are 264 cattle in the trial for 110 days on feed. Following the trial, the cattle will be processed at a Teys abattoir providing carcass data.</p> <div> <p>Trial Update An interim trial report provided by CSU (at 56 days on feed) indicates positive trends in daily weight gains in groups receiving MYLO supplementation. However, results may vary prior to the conclusion of the trial period.</p> </div>	
Jun 2025	<p>Dairy Cows Terragen is analysing a significant amount of data that will generate multiple publications demonstrating the impact of MYLO[®] on reproductive performance in dairy cows, metabolic changes in dairy cows, methane emissions and effects on microbiome (including milk, faecal and rumen fluid samples).</p>	 
Jun 2025 - Phase 1 Dec 2026 - Phase 2	<p>Beef Terragen’s first international trial with dry MYLO[®] is proposed to commence in late 2024. This trial will involve two phases and deliver a deeper understanding of the mechanism of action of dry MYLO[®] and the impacts on animal health and productivity in beef feedlots, in a setting typical to North America. There are 80 cattle for a minimum of 145 days on feed.</p>	 
Dec 2025	<p>Lamb Following the successful outcomes from the trial conducted by Agriculture Victoria Research, Terragen is seeking partnerships to advance lamb trials to commercial scale, focusing on productivity and methane mitigation.</p>	

02 — Terragen Products



Terragen has two products in the market and a strong product development pipeline

Probiotic

MYLO®

Reducing methane,
increasing productivity

MYLO® is a probiotic feed supplement that improves animal health. MYLO® is certified organic in Australia and New Zealand and is FAMI QS certified under FIAAA.

MYLO® - Calves / MYLO® - Cows

FUTURE PRODUCTS

MYLO® - Beef

MYLO® - Lamb

Biostimulant

Great Land Plus®

Reducing scope emissions,
increasing productivity

Great Land Plus® (GLP) is a biostimulant that improves plant health. GLP® is targeted for use in cropping as a supplement to chemical-based fertilisers and is certified organic in Australia and New Zealand.

GLP® - Dairy Pastures

FUTURE PRODUCTS

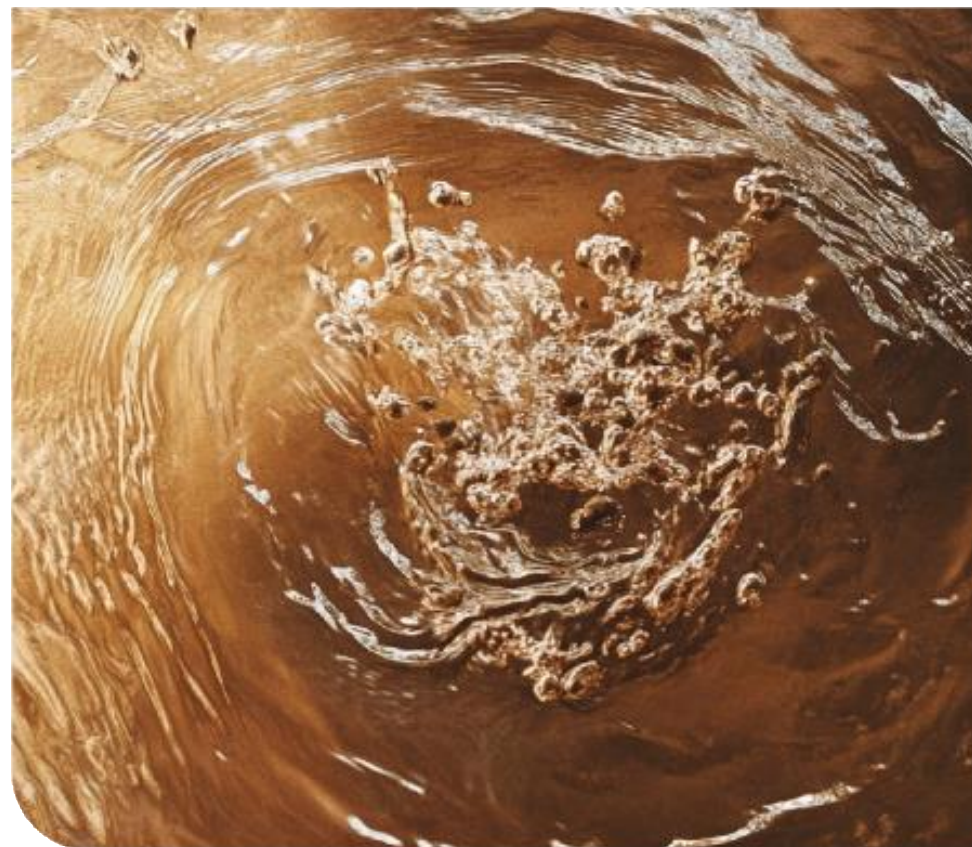
GLP® - Canola

GLP® - Maize (corn)

Transforming our probiotic product, with NEW DRY MYLO[®] launch anticipated in March 2025

Current
Liquid MYLO[®]

March 2025
Dry MYLO[®]



- ✓ **Extended shelf life**
From six months to two years
- ✓ **Increased transport efficiency**
Global distribution, as a powder
- ✓ **Easier to use**
No extra cost for farmers
- ✓ **Increased production efficiency**
Leading to scalability
- ✓ **Launching in partnership⁽¹⁾**
With specialist freeze-drying contract global manufacturer

MYLO® is scientifically proven to increase livestock yields and deliver environmental benefits

Lamb Performance Benefit

24% higher⁽¹⁾

Average daily weight gain

Dairy Cows Performance Benefit

10.1% more⁽²⁾

Milk produced

Calves Performance Benefit

8% heavier⁽³⁾

Average daily weight gain

Beef Cattle Performance Benefit

4.8% greater⁽⁴⁾

Average daily weight gain

Environmental Benefits

Reduces Methane

Methane intensity reduced by 30% in lamb⁽⁵⁾

Methane intensity reduced in dairy cows by 7.5%⁽⁶⁾

Financial Benefits for Farmers

\$500 p.a. net benefit per lactating cow⁽⁷⁾

At milk price of \$8/kg MS (milk solids)⁽⁸⁾

\$40 net saving per calf⁽⁹⁾

With 10 days earlier weaning (less labour/milk required)



Notes

(1)&(5) Methane Emissions Reduction in Livestock MERiL 1&2, DEECCW.gov.au 13 August 2024

(2)&(7) Harrisville, QLD study, announced to the ASX on 24 May 2023.

(3)&(9) UQ Calf trial, 2019 - peer reviewed Alawneh et. Al, 2024

(4) Commercial feedlot trial in NSW (2023) using split herds, announced 28 July 2023, showed an overall improvement of 4.8% in average daily weight gain (ADG) with p<0.05.

(6) Ellinbank SmartFarm, VIC, announced to the ASX on 21 April 2022., peer-reviewed by Animals Journal

(8) Based on 10% milk production increase at farmgate

price of \$8.00 per kg milk solids

Charles Sturt University case studies of long-term users indicate GLP[®] delivers environmental benefits and increases crop yields

Dairy Pasture Performance Benefit

35% increase⁽¹⁾

In soil organic carbon

Silage Performance Increase

20-40% biomass increase⁽²⁾

Cibo Labs biomass report

Lucerne Crops Performance Benefit

16-18% increase⁽³⁾

In lucerne hay & seed yields

Grape Vines Performance Benefit

8% increase⁽⁴⁾

In soil organic carbon

Environmental Benefits

Reduces reliance on nitrogen fertilisers

While increasing soil organic carbon

Cost Savings for Farmers

>40% urea reduction

Case study: Hamiltons Run, South Australia reduced nitrogen by >40% from 2017 to 2024⁽⁵⁾, saving \$118 per hectare, net of GLP[®] cost⁽⁶⁾



Notes

(1) & (2) & (4) & (5) Terragen - Great Land Plus, Soil carbon impact evaluation, Dairy Farms, September 2024, Digital and Sustainable Agriculture, AgriPark, Charles Sturt University, Boorooma St Wagga Wagga

3) Lucerne seed: Independent split paddock field trial, Forbes NSW, 2015 Lucerne hay: Independent split paddock field trial, Shepparton VIC, 2015, Trial 1. Terragen-Great-Land-Plus-Lucerne-Trial

6) Calculation based on:

- Cost comparison of replacing some on-farm Urea usage with GLP[®].
- Urea application of 80kg/Ha (\$56/Ha based on \$700/t) at 8 x applications per year (typical of Southern Australia improved pasture).
- GLP[®] application of 4litres/Ha (\$38/Ha based on \$9.50/L) at 4 x applications per year.

A case study: GLP®, radically improving yields and reducing urea usage



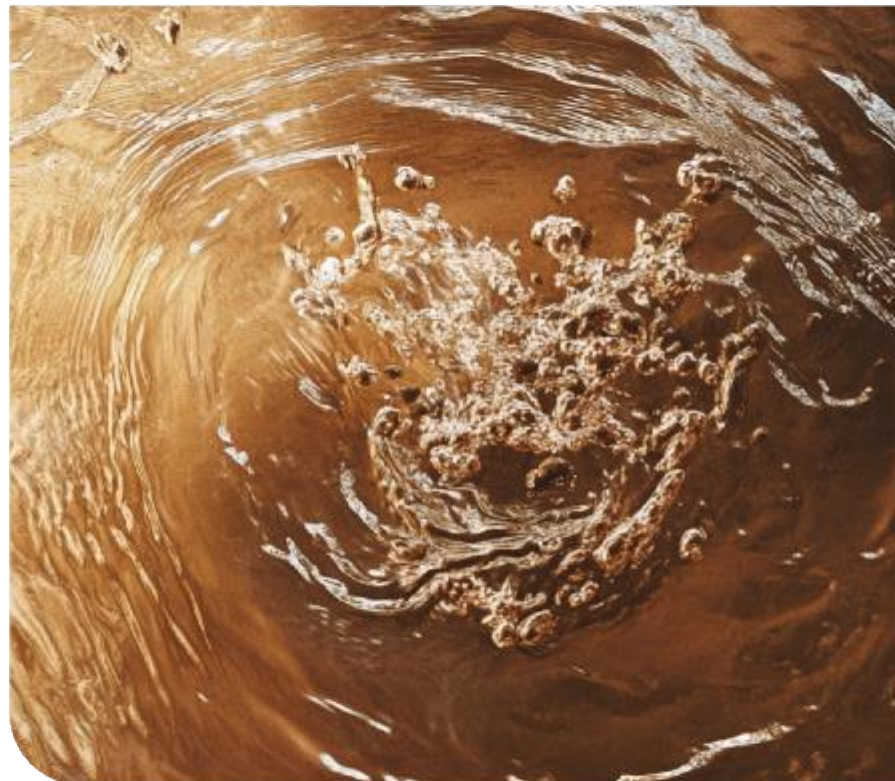
The innovative formula in Great Land Plus® is designed to nurture the soil, resulting in natural productivity gains

- Soil Organic Carbon +35% at 10-20cm, compared to his neighbour's soil test ⁽¹⁾
- Nitrogen levels at 36mg nitrate-nitrogen/kg compared to his neighbour at 6mg nitrate-nitrogen/kg, in the driest 5-month period on record in Victoria⁽¹⁾
- Reduced Urea usage by 20%, saving \$59 a hectare (net of GLP® cost). Long-term pasture biomass data supports an increase in productivity of 20-40% above the average biomass of the comparative neighbouring property⁽¹⁾
- Jakob reports fewer grass tetany cases (low blood magnesium) because of higher levels of calcium and magnesium in his soil ⁽¹⁾

Building our biostimulant offer with NEW DRY GLP[®] product launch anticipated in 2026

Current
Liquid GLP[®]

2026
Dry GLP[®]



- ✓ **Extended shelf life**
From six months to two years
- ✓ **Increased transport efficiency**
Global distribution, as a powder
- ✓ **Easier to use**
Mixed on the farm for ease of use
- ✓ **Increased production efficiency**
Leading to scalability ⁽¹⁾
- ✓ **Increases soil organic carbon & crop yields**
Strong value proposition

03 — The way Forward



We've strengthened our leadership team with highly experienced people in product commercialisation

144 years

ASX and global listed companies experience

60 years

Research & development experience

86 years

Commercialisation and sales experience

90 years

Agricultural experience



Mike Barry

Chair, Appointed June 23

Mike has a senior executive career spanning more than two decades, including a 13-year CEO role at MSF Sugar Limited and 10 years at Boral Limited.



Michele Allan

Director, Appointed Nov 23

As a food industry and agribusiness specialist Michele has held senior executive and director positions in the food, agriculture and education sectors with an academic background in biomedical science, management and law. Michele is the Chair of Wine Australia and Charles Sturt University and is a non-executive Director of Dairy Food Safety Victoria, Food Agility CRC and a former non-executive Director of CSIRO



Andrew Guthrie

Director, Appointed July 24

Andrew spent senior leadership years with Syngenta. He was part of the team responsible for business strategy that leveraged Syngenta's research and development capability to invent, gain regulatory approval and launch new products to agricultural markets globally.



Richard Norton

CEO, Appointed Feb 24

With over 30 years of executive experience in the food processing and agribusiness sector, Richard specialises in commercialisation across retail, innovation, logistics, marketing, and agribusiness. As Managing Director of Meat & Livestock Australia, he spearheaded global branding strategies for the red meat industry.

Products are being commercialised through contracted manufacturing and global distribution

Knoell

Knoell is a leading service provider for worldwide **registration and regulatory compliance** for crop nutrition and animal health products. We have engaged Knoell for assistance regarding **regulatory roadmaps** initially for MYLO® for Europe, USA , Canada, and Brazil.

Phase one (of three phases) regarding global regulatory pathways now **complete**.



Sacco System

Sacco System is a **contract manufacturer (GMP certified)** that supports companies in commercial **production of probiotics globally**. We have entered into a Manufacturing and Supply agreement with SACCO for Dry MYLO®.

Successfully imported a commercial quantity of dry MYLO raw ingredient from Sacco System in Italy, following the receipt of Australian Government regulatory approvals.



Global Distribution

We are in discussions with various global distributors for our products.⁽¹⁾



Significant pipeline of opportunities for dry MYLO[®] and GLP[®] across the globe

Note:
This provides a snapshot solely of the opportunity, given the market size & corresponding market value. This is not a forecast.

Product	Target Year	Target Markets	Number of Head	Market Value ⁽¹⁾
MYLO[®] - Dairy Cows 300 Day lactation @10mls p/d	2025	Australia & NZ	2M	\$60M
	2026/7	USA, Canada, Brazil	19M	\$570M
	2028	Europe	14.8M	\$445M
MYLO[®] - Dairy Calves 56 Days on MYLO [®] @10mls p/d	2025	Australia & NZ	2.7M	\$16M
	2026/7	USA, Canada, Brazil	11.4M	\$64M
	2028	Europe	8.9M	\$50M
MYLO[®] - Beef Avg Days on Feed (DOF) @10mls p/d	2025	Australia (135 DOF)	1.4M	\$49M
	2026/7	USA, Canada (188 DOF)	13.1M	\$484M
	2026/7	Brazil (122 DOF)	7M	\$249M

Product	Target Year	Target Markets	Total Nitrogen Fertiliser	Market Value ⁽¹⁾
GLP[®] - Available Market ^ Market value based on 10% of the nitrogen market	2026	Australia & NZ	3.8Mt	US\$210M^
	2026	Brazil ⁽²⁾	7.1Mt	US\$588M^
	2027	USA (By State) ⁽²⁾	8.9Mt	US\$422M^
	2028	France ⁽²⁾	5.0Mt	US\$265M^

	Total Hectares	Market Value
GLP[®] - Maize	Global Hectares	192M Ha
GLP[®] - Canola	Global Hectares	42M Ha
GLP[®] - Dairy Pastures	Global Hectares	45M Ha

* Market size estimated at 10%, including 2 x application for crop, 4 x application for pastures of GLP p.a.



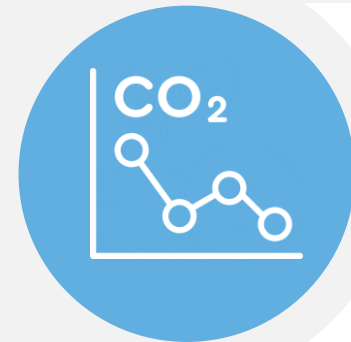
(1) Market size estimate based on published data – Episode 3 Economists (2) Target market for GLP[®] based on market access

Key Takeaways

Over the past six months, Terragen has embarked on a transformative journey focused on maximising shareholder value and setting the stage for future success.

Our strategic initiatives proven by extensive data and evidence, expanding freeze-drying capabilities and renewed leadership, are driving us towards our global ambitions.

The key performance measure for 2025 is the delivery of dry MYLO[®] into the Australian beef sector.



Committed to Decarbonising Agriculture

Sustainable solutions that not only reduce carbon emissions but also deliver productivity gains



Accelerating Commercialisation

Dry MYLO[®] has proven to be stable when fed to lambs and will be commercially available in Australia, March 2025. Pending market access approvals, Dry MYLO[®] will be launched from 2026 in North America and Brazil



Boosting Productivity

Dry MYLO[®] has been scientifically proven to increase lamb average daily weight gains by up to 24%. GLP[®] case studies delivered increases in soil organic carbon of up to 35%, and a decrease in nitrogen usage of over 40%



Expanding Globally

With a strategic partnership with Sacco Italy, Dry MYLO[®] can be manufactured at scale in global markets, providing the opportunity for distribution agreements

04 — Equity Raising



Offer Details

Offer structure and size	<ul style="list-style-type: none"> An Offer of approximately A\$5.0 million comprising an institutional placement of approximately \$1.0 million ("Placement") and a fully underwritten \$4.0 million 1 for 3.22 pro-rata accelerated non-renounceable Entitlement Offer ("ANREO") to eligible securityholders of TGH, together the ("Offer"). Approximately 143.2 million New Shares to be issued under the Offer, representing approximately 38.8% of existing shares on issue in TGH
Offer price	<ul style="list-style-type: none"> The Offer will be conducted at a fixed price of A\$0.035 per New Share (Offer Price) which represents: <ul style="list-style-type: none"> A discount of 2.8% to the last close of A\$0.036 on Wednesday, 4 December 2024 A discount of 5.4% to the 5-day VWAP of A\$0.037 up to and including Wednesday, 4 December 2024 A discount of 2.0% to the TERP¹ of \$0.036
Use of proceeds	<ul style="list-style-type: none"> Further validation and diversification of the product range through scientific research and development across both MYLO® and GLP®; Acceleration of the global commercialisation opportunities for Dry MYLO®; and Working capital and costs of the Offer.
Institutional Offer	<ul style="list-style-type: none"> The institutional component of the Entitlement Offer and the Placement will be conducted on Thursday, 5 December 2024 (Institutional Entitlement Offer) Entitlements not taken up and those of securityholders who are ineligible to participate in the Institutional Entitlement Offer will be sold at the Offer Price
Retail Entitlement Offer	<ul style="list-style-type: none"> The retail component of the Entitlement Offer will open on Thursday, 12 December 2024 and will close at 5.00pm on Thursday, 16 January 2025 (Retail Entitlement Offer) The retail component of the Entitlement Offer will include a 'top-up' Facility under which Eligible Retail Securityholders who take up their entitlement in full may also apply for additional New Shares (Top-Up Facility). Only eligible securityholders of TGH with an address on the TGH share register in Australia or New Zealand on the Record Date may participate in the Retail Entitlement Offer
Record Date	<ul style="list-style-type: none"> 7.00pm (Sydney, Australia time) on Monday, 9 December 2024
Ranking	<ul style="list-style-type: none"> New Shares issued under the Entitlement Offer and Placement will rank pari passu with existing shares from their date of issue
Nominee	<ul style="list-style-type: none"> ASIC has consented to the appointment of Berne No 132 Nominees Pty Ltd (ACN 010 413 591) (a related body corporate of the Lead Manager) (Nominee) to act as a nominee for the purposes of section 615 of the Corporations Act and ASX Listing Rule 7.7.1, who will arrange for the sale of New Shares under the Entitlement Offer which would otherwise have been available to Ineligible Shareholders and remit any net proceeds (i.e. sale proceeds less brokerage and costs) from the sale of those New Shares. There is no guarantee that any proceeds will be realised from the sale of the entitlements what would otherwise have been offered to Ineligible Retail Shareholders.
Lead Manager	<ul style="list-style-type: none"> Morgans Corporate Limited is acting as Lead Manager and Underwriter in connection with the Offer.

Indicative Timetable

Event	Date
Trading halt and announcement of Offer (including release of ASX announcement, Appendix 3B, cleansing notice and investor presentation)	Thursday 5 December 2024
Complete Institutional Offer (Placement and Institutional Entitlement Offer) bookbuild	Thursday 5 December 2024
Announcement of completion of Placement and Institutional Entitlement Offer and recommence trading	Monday 9 December 2024
Record date for Entitlement Offer (7.00pm Sydney)	7:00pm (AEDT) Monday 9 December 2024
Retail Entitlement Offer documentation despatched and Retail Entitlement Offer opening date	Thursday 12 December 2024
Settlement of New Shares issued under the Placement and Institutional Entitlement Offer	Thursday 12 December 2024
Allotment of New Shares issued under the Placement and Institutional Entitlement Offer	Friday 13 December 2024
Dispatch of holding statements for New Shares issued under the Placement and Institutional Entitlement Offer	Monday 16 December 2024
Retail offer close date	5:00pm (AEDT) Thursday 16 January 2025
Announcement of results of Retail Entitlement Offer	Tuesday 21 January 2025
Settlement of Retail Entitlement Offer	Wednesday 22 January 2025
Allotment of New shares under the Retail Entitlement Offer	Thursday 23 January 2025
Dispatch of holding statements for New Shares issued under Retail Entitlement Offer	Friday 24 January 2025

Sources & Uses of Funds

Sources	A\$m
Placement	\$1.0m
ANREO	\$4.0m
Total	\$5.0m

Uses	A\$m
Research & Development Animal and plant based scientific research and development including commercial trials and new product formulation	\$2.7m
Product Commercialisation Costs associated with procurement of, and global regulatory approvals for, Dry MYLO as well as commercialisation costs for education campaigns and partnerships to drive market penetration	\$1.9m
Other Working capital and costs of the Offer	\$0.4m
Total	\$5.0m

Pro forma cash balance

- Post completion of the capital raise, TGH will have a pro forma cash balance of \$9.17m (post-offer costs).

Use of Funds

- The proceeds will be used to support scientific research, development and commercialisation of the product suite, ahead of the planned release of the Dry Mylo® product in Australia in March 2025, as well as North American and Brazilian markets from 2026 pending market access approvals.
- TGH will be fully funded through commercialisation.

Pro forma capital structure

Issued share capital	No. of securities (pre-equity raising)	%	Securities issued in equity raising ¹	No. of securities (post-equity raising)	% (on an undiluted basis)
Fully paid ordinary shares					
Mr. Scobie Dickinson Ward	122,930,971	33.3%	77,871,762*	200,802,733	39.2%
Other existing Investors	246,150,155	66.7%	33,892,563	280,042,718	54.7%
Other securities issued in equity raising			31,428,571	31,428,571	6.1%
Total Securities on Issue	369,081,126	100.0%	143,192,897	512,274,023	100.0%
Options on Issue**	54,500,000			54,500,000	

(*) Indicative allocation based on entitlement of \$1.3m and sub-underwriting of \$1.4m
 (**) 54,500,000 options were recently issued under the Terragen Incentive Plan, including as approved at the 2024 Annual General Meeting of Terragen.

Proforma Balance Sheet

AUD \$'000	Audited Balance Sheet as at 30 June 2024 \$'000	Pro-forma Adjustments assuming fully subscribed \$'000	Pro-forma, Post- offer Historical Balance Sheet as at 30 June 2024 \$'000
Cash and cash equivalents ¹	4,543	4,626	9,169
Trade and other receivables	190	17 ²	207
Other current assets ³	1,324	0	1,324
Total current assets	6,057	4,643	10,700
Non-current assets	891	0	891
Total assets	6,948	4,643	11,591
Trade and other payables	(833)	0	(833)
Other current liabilities	(542)	0	(542)
Total current liabilities	(1,375)	0	(1,375)
Non-current liabilities	(256)	0	(256)
Total liabilities	(1,631)	0	(1,631)
Net assets	5,317	4,643	9,960
Issued capital	46,904	5,012	51,916
Less offer costs	0	(369)	(369)
Reserves ⁴	1,681	0	1,681
Accumulated losses	(43,268)	0	(43,268)
Total Equity	5,317	4,643	9,960

Notes:

1. Includes cash at bank and a term deposit. Equity raising assuming gross proceeds of approximately \$5.0 million less costs associated with the Offer.
2. GST receivable on offer costs.
3. Includes a tax incentive on research and development of \$0.869 million
4. Share-based payments reserve

05 — Appendix

Key Risk Factors

There are a number of risks that are both specific to Terragen and are of a general nature, which may affect the future operating and financial performance of the Company and the outcome of any investment in the Company.

This section describes some, but not all, of the material business risks that may be associated with an investment in the Company or in Terragen shares and the occurrence or consequences of some of the risks described below are partially or completely outside the Company’s control. Additional risks and uncertainties that the Company is unaware of, or that it currently considers to be immaterial, could also become important factors that adversely affect the future performance of the Company and in Terragen’ shares. Before making an investment decision, you should consult your financial or other professional adviser and carefully consider the risks described in this section, as well as other information in this presentation.

Risk	Description
Ownership and protection of intellectual property	<p>Terragen’s business model depends on its ability to commercially exploit its intellectual property.</p> <p>Terragen relies on laws relating to trade secrets, copyright and trademarks to assist in protecting its proprietary rights. There is a risk that unauthorised use or copying of intellectual property, business data or secure documentation (electronic laboratory books) will occur.</p> <p>There is a risk that Terragen may be unable to detect the unauthorised use of its intellectual property rights in all instances.</p> <p>A breach of Terragen's intellectual property may result in the need to commence legal action, which could be costly and time consuming. A failure or inability to protect the Company's intellectual property rights could have an adverse impact on operating and financial performance.</p> <p>In addition, parties making claims against Terragen for a breach of intellectual property may obtain injunctive or other relief to prevent the Company from further developing or commercialising its products. In the event a successful claim of infringement is made against the Company, it may be required to pay damages and obtain one or more licences from the prevailing third party. If it is not able to obtain these licenses at a reasonable cost, or at all, it may encounter delays and lose substantial resources while seeking to develop alternative products.</p>
Commercialisation of products	<p>Terragen intends to commercialise new products based on scientific research and development activities previously undertaken, including the intention to launch a new product, Dry MYLO, in March 2025. There are a number of risks associated with commercialisation of new products which should be considered prior to any investment decision, including Terragen’s ability to:</p> <ul style="list-style-type: none">- Execute on the product commercialisation plan- Increase awareness of its brand and market acceptance of its products- Obtain future regulatory registrations and market approvals for its products- Manage expanding operations- Respond effectively to competitive pressure and developments
Regulatory approvals	<p>Terragen's target markets for its products are emerging, and as such the regulatory environment is constantly changing.</p> <p>In those jurisdictions where Terragen is yet to enter with a particular product; including the US and Europe, appropriate expert advice and necessary regulatory approvals will be sought as and when Terragen seeks to enter such jurisdiction. There is also a possibility that Terragen may become subject to additional legal or regulatory requirements if its business operations, strategy or geographic reach expand in the future or if there is a change in applicable law or regulation.</p>

Key Risk Factors

Risk	Description
Failure to realise benefits from product research and development	<p>The development and commercialisation of products is expensive and often involves an extended period of time to achieve return on investment. A critical aspect of Terragen's business model is to continually invest in innovation and product development opportunities. This is relevant for potential future development and product extensions of Mylo and Great Land Plus.</p> <p>Terragen may not realise benefits from these investments for several years, or may not realise benefits at all in some cases. The Company makes assumptions about the expected future benefits generated by investment in product research and development and the expected timeframe in which the benefits will be realised. These assumptions are subject to change and involve both known risks and risks that are beyond the Company's control. Any change to the assumptions the Company has made about certain product development may have an adverse impact on the Company's ability to realise a benefit from investment in the development of that product.</p>
Product risks and liability	<p>Terragen currently manufactures Great Land Plus and Mylo on a commercial scale with continuity of supply and in accordance with current Good Manufacturing Practices, prescribed by the APVMA and other regulatory authorities.</p> <p>Despite this, there is no assurance that unforeseen adverse events or manufacturing defects will not arise. Adverse events or defects could expose the Company to product liability claims, litigation or withdrawal of regulatory approvals. Further, adverse events or defects could result in damages being awarded against the Company, a requirement for further investment in improved manufacturing processes or withdrawal of products from the market.</p> <p>In the event Terragen discontinues operations or has insufficient manufacturing and distribution capacity, for any reason, this may result in substantial cost and delay.</p>
Arrangements with third party collaborators	<p>Terragen may pursue collaborative arrangements with life science companies, academic institutions or other partners to complete the development and commercialisation of the Terragen Products. These collaborators may be asked to assist with funding or performing field trials, manufacturing, obtaining regulatory approvals or product marketing. There is no assurance that Terragen will attract and retain appropriate strategic partners or that any such collaborators will perform and meet commercialisation goals.</p> <p>Further, Terragen's arrangements with third party collaborators are subject to mutual undertakings of confidentiality. There is no guarantee that third party collaborators will abide by their confidentiality obligations. There is a risk that third party collaborators may seek commercial exploitation of Terragen's intellectual property that has been shared under any collaboration arrangement. Protecting the Company's intellectual property in circumstances such as this may result in the need to commence legal action, which could be costly and time consuming.</p>
Loss of key personnel	<p>The successful operation of Terragen in part relies on the Company's ability to attract and retain experienced and high performing personnel. The loss of any key members of management or other personnel, or the inability to attract additional skilled individuals to key projects or roles, may adversely affect Terragen's ability to develop and implement its business strategies.</p>
Risk of delay and continuity of operations	<p>The potential for delay on any of Terragen's key projects presents a number of risks (including potential cost overruns and impacts of delays on the conclusion of commercial partnerships). Delays may be caused by various factors, including delays in obtaining regulatory approvals, delays in scientific studies, and delays in completing successful field trials.</p>

Key Risk Factors

Risk	Description
Sufficiency of funding and additional requirements for capital	<p>Terragen has provided an indication of how it intends to apply its existing funds, including funds raised under the Equity Raising.</p> <p>There is a risk that the costs of research and development may be higher than anticipated or increase as a result of unforeseen circumstances (which may include circumstances related to other key risk factors set out in this section).</p> <p>Terragen may also be required to raise additional equity or debt capital in the future. There is no assurance that Terragen will be able to raise that capital when it is required or that it will be able to raise that capital on satisfactory terms.</p> <p>If Terragen is unsuccessful in obtaining funds when required it may need to delay or eliminate its research and development, commercialisation, manufacturing activities, or other aspects of its business. In the event of insufficient capital, Terragen may also have to license or sell its technologies on unfavourable terms, or scale down or cease operations. No assurance can be given that future funding will be available to the Company, on any particular terms, or at all.</p>
Operational risks	<p>A prolonged and unplanned interruption to Terragen's operations could significantly impact the Company's financial performance and reputation. Terragen is exposed to a variety of operational risks, including risk of site loss or damage, environmental and climatic events, global pandemic risks, technology failure or incompetency and systems security or data breaches.</p> <p>Failure to mitigate these risks could impact on Terragen's corporate reputation, and adversely impact delivery of Terragen's strategy, through a failure in customer service.</p>
Cyber risks	<p>Terragen, like any organisation, faces an ever-changing cyber security threat, and needs to prevent, detect and respond to cyber security threats by maintaining a high standard of information security control.</p>
General economic conditions	<p>Changes in the general economic climate in which Company operates may adversely affect the financial performance of Company. Factors that may contribute to that general economic climate include the level of direct and indirect competition against Terragen, and include, but not are but not limited to:</p> <ul style="list-style-type: none"> • general economic conditions; • changes in, or introduction of, Government policies, taxation and other laws; • the strength of the equity and share markets in Australia and throughout the world; • movement in, or outlook on, exchange rates, interest rates and inflation rates; • industrial disputes in Australia and overseas; • changes in investor sentiment toward particular market sectors; • increases in expenses (including the cost of goods and services used by Terragen); • financial failure or default by an entity with which Terragen may become involved in a contractual relationship; and • natural disasters, social upheaval or war.

Key Risk Factors

Risk	Description
Government and legal risk	The introduction of new legislation or amendments to existing legislation by governments (including the introduction of tax reform), developments in existing common law or the interpretation of legal requirements in any of the legal jurisdictions which govern Terragen’s operations or contractual obligations, could impact adversely on the assets, operations and ultimately the financial performance of Terragen and the Shares. The same adverse impact is possible by the introduction of new government policy or amendments to existing government policy.
Accounting standards	Changes to any applicable accounting standards or to any assumptions, estimates or judgments applied by management in connection with complex accounting matters may adversely impact Terragen’s financial statements, results or condition.
Share market conditions	<p>Share market conditions may affect the value of Terragen’s quoted securities regardless of Terragen’s operating performance. Share market conditions are affected by many factors such as:</p> <ul style="list-style-type: none"> • general economic outlook; • the introduction of tax reform or other new legislation; • interest rates and inflation rates; • currency fluctuations; • changes in investor sentiment toward particular market sectors in Australia and/or overseas; • the demand for, and supply of, capital; and • terrorism or other hostilities. <p>The market price of the Shares can fall or rise, and may be subject to varied and unpredictable influences on the market for equities in general, such influences are beyond Terragen’s control and are unrelated to Terragen’s performance. Neither Terragen nor the Directors warrant the future performance of Terragen or the Shares and subsequently any return on an investment in Terragen.</p>
Unforeseen expenditure risk	Expenditure may need to be incurred that has not been considered in this Presentation. Although the Company is not aware of any such additional expenditure requirements, if such expenditure is subsequently incurred this may adversely affect the expenditure proposals and activities of the Company, as the Company may be required to reduce the scope of its operations. This could have a material adverse effect on Terragen’s activities and the value of the Shares.
Taxation risk	The acquisition and disposal of Shares will have tax consequences which will differ for each investor depending on their individual financial circumstances. All potential investors in Terragen are urged to obtain independent financial advice regarding the tax and other consequences of acquiring Shares. To the maximum extent permitted by law, Terragen, its officers and its advisers accept no liability or responsibility with respect to any tax consequences of applying for or being allotted New Shares under the Equity Raising.

Key Risk Factors

Risk	Description
Market price	The market price of Shares may rise or fall between the date of the Equity Raising and the issue date of the Shares under the Equity Raising. The effect of this is that the offer price you pay for the Shares may exceed the market price of Shares on the issue date. Neither Terragen nor the Directors warrant the future performance of Terragen or any return on an investment in Terragen.
Security investments	Applicants should be aware that there are risks associated with any securities investment. Securities listed on the stock market have experienced extreme price and volume fluctuations that have often been unrelated to the operating performances of such companies. This risk is particularly relevant given the COVID-19 pandemic. These factors may materially affect the market price of the New Securities regardless of Terragen's performance.
Liquidity risk	There may be relatively few buyers or sellers of securities on ASX at any given time. This may affect the volatility of the market price of the securities and the prevailing market price at which Shareholders are able to sell their Shares. This may result in Shareholders receiving a market price for their Shares that is less or more than the price paid under the Equity Raising.
Economic risk	General economic conditions in Australia and internationally, movements in interest, inflation and currency exchange rates, variations in commodity prices, the global security situation and the possibility of terrorist disturbances, changes to government regulation, policy or legislation, changes which may occur to the taxation of companies as a result of changes in Australian and foreign taxation laws and changes to dividend imputation in Australia may have an adverse effect on Terragen's production activities, as well as on its ability to fund those activities.
Mr Ward will have significant influence and can block special resolutions	Given Mr Ward will have a relevant interest of more than 25% following the issue of the New Shares, Mr Ward will have a sufficient voting interest to block any special resolution on which he is entitled to vote on at a general meeting of the Company, whether under its constitution, the Corporations Act or otherwise (including, for example, the implementation of a takeover of the Company by way of a scheme of arrangement). Mr Ward's relevant interest will also provide him with significant influence over ordinary resolutions.

International Offer Restrictions

DISCLAIMER

This Presentation does not constitute an offer of new ordinary shares ("**New Shares**") of the Company in any jurisdiction in which it would be unlawful. In particular, this Presentation may not be distributed to any person, and the New Shares may not be offered or sold, in any country outside Australia except to the extent permitted below:

Hong Kong

WARNING: 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 New 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 New 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 New Shares that are or are intended to be disposed of only to persons outside Hong Kong or only to professional investors. No person allotted New 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.

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 New Shares are not being offered to the public within New Zealand other than to existing shareholders of the Company with registered addresses in New Zealand to whom the offer of these securities is being made in reliance on the Financial Markets Conduct (Incidental Offers) Exemption Notice 2021.

Other than in the Entitlement Offer, the New Shares may only be offered or sold in New Zealand (or allotted with a view to being offered for sale in New Zealand) to a person who:

- is an investment business within the meaning of clause 37 of Schedule 1 of the FMC Act;
- meets the investment activity criteria specified in clause 38 of Schedule 1 of the FMC Act;
- is large within the meaning of clause 39 of Schedule 1 of the FMC Act;
- is a government agency within the meaning of clause 40 of Schedule 1 of the FMC Act; or
- is an eligible investor within the meaning of clause 41 of Schedule 1 of the FMC Act.

United Kingdom

Neither this document nor any other document relating to the offer has been delivered for approval to the Financial Conduct Authority in the United Kingdom and no prospectus (within the meaning of section 85 of the Financial Services and Markets Act 2000, as amended ("FSMA")) has been published or is intended to be published in respect of the New Shares.

The New Shares may not be offered or sold in the United Kingdom by means of this document or any other document, except in circumstances that do not require the publication of a prospectus under section 86(1) of the FSMA. This document is issued on a confidential basis in the United Kingdom to "qualified investors" within the meaning of Article 2(e) of the UK Prospectus Regulation. This document may not be distributed or reproduced, in whole or in part, nor may its contents be disclosed by recipients, to any other person in the United Kingdom.

Any invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received in connection with the issue or sale of the New Shares has only been communicated or caused to be communicated and will only be communicated or caused to be communicated in the United Kingdom in circumstances in which section 21(1) of the FSMA does not apply to the Company.

In the United Kingdom, this document is being distributed only to, and is directed at, persons (i) who have professional experience in matters relating to investments falling within Article 19(5) (investment professionals) of the Financial Services and Markets Act 2000 (Financial Promotions) Order 2005 ("FPO"), (ii) who fall within the categories of persons referred to in Article 49(2)(a) to (d) (high net worth companies, unincorporated associations, etc.) of the FPO or (iii) to whom it may otherwise be lawfully communicated ("relevant persons"). The investment to which this document relates is available only to relevant persons. Any person who is not a relevant person should not act or rely on this document.

United States

This document does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States. The New Shares have not been, and will not be, registered under the US Securities Act of 1933 or the securities laws of any state or other jurisdiction of the United States. Accordingly, the New Shares 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.

The New Shares may be offered and sold in the United States only to:

- institutional accredited investors within the meaning of Rule 501(a)(1), (2), (3), (7), (8), (9) and (12) under the US Securities Act; and
- dealers or other professional fiduciaries organized or incorporated in the United States that are acting for a discretionary or similar account (other than an estate or trust) held for the benefit or account of persons that are not US persons and for which they exercise investment discretion, within the meaning of Rule 902(k)(2)(i) of Regulation S under the US Securities Act.

Summary of Underwriting Agreement

Terragen has entered into a conditional Underwriting Agreement with Morgans Corporate Limited (the “**Underwriter**”) dated 5 December 2024 (“**Underwriting Agreement**”) under which the Underwriter has agreed to fully underwrite the Entitlement Offer, subject to the terms and conditions of the Underwriting Agreement.

Key terms of the Underwriting Agreement

The Underwriter’s obligations under the Underwriting Agreement, including to underwrite and manage the Entitlement Offer, are conditional on certain matters, including the timely delivery of certain due diligence materials, sign-offs and other documents. The Underwriter may, by notice to Terragen, terminate its obligations under the Underwriting Agreement on the occurrence of certain customary termination events for an agreement of this nature, including but not limited to, the following:

1. **(misleading disclosure)** a statement contained in the Offer Materials is or becomes false, misleading or deceptive or likely to mislead or deceive or has omitted a matter which renders the statement misleading;
2. **(information)** the Due Diligence Committee Report or any information supplied by or on behalf of Terragen to the Underwriter for the purposes of the Due Diligence Investigations, the Offer Materials, or the Offer, is false, misleading or deceptive in a material respect;
3. **(Entitlement Offer Cleansing Statement)** the Entitlement Offer Cleansing Statement is Defective, or a Corrective Statement is required to be issued under the Corporations Act (other than as a result of a new circumstance arising);
4. **(Placement Cleansing Statement)** a Placement Cleansing Statement is Defective, or a Corrective Statement is required to be issued under the Corporations Act (other than as a result of a new circumstance arising);
5. * **(new circumstance)** a new circumstance arises or becomes known which, if known at the time of issue of the Investor Presentation Materials and the Cleansing Statement, would have been required to be included in the Investor Presentation Materials or the Cleansing Statement;
6. **(Material Adverse Effect)** any material adverse change, or development (including but not limited to any regulatory change) or event occurs or is likely to occur which has or is likely to have a Material Adverse Effect;
7. **(market fall)** the ASX/S&P 300 Index falls by 10 per cent or more at any time from its level at market close on the Business Day immediately preceding the date of this document;
8. * **(future matters)** any estimate or expression of opinion, belief, expectation or intention, or statement relating to future matters (including any forecast or prospective financial statements, information or data or the assumptions or sensitivity in relation thereto) in any Offer Materials is or becomes incapable of being met or, in the reasonable opinion of the Underwriter, unlikely to be met in the projected timeframe;
9. * **(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 of Australia a new law, or the Reserve Bank of Australia, or any Commonwealth or State authority, adopts or announces a proposal to adopt a new policy (other than a law or policy which has been announced before the date of this document), any of which does or in the reasonable opinion of the Underwriter is likely to prohibit or adversely affect or regulate the Offer, capital issues or stock markets or the Underwriter’s ability to promote or market the Offer or enforce contracts to issue or allot the Offer Securities, or adversely affect the taxation treatment of the Offer Securities;
10. **(unable to proceed)** Terragen is or will be prevented from conducting or completing the Offer (including granting the Entitlements or issuing Offer Securities) by or in accordance with the Listing Rules, ASIC, ASX, any applicable laws or an order of a court of competent jurisdiction, or otherwise is or will become unable or unwilling to do any of these things or a third party applies to a court of competent jurisdiction seeking orders to prevent, or which will have the effect of preventing any of these things;
11. **(force majeure)** there is an event or occurrence, including any statute, order, rule, regulation, directive or request (including one compliance with which is in accordance with the general practice of persons to whom the directive or request is addressed) of any Government Agency which makes it illegal for the Underwriter to satisfy an obligation under this document, or to market, promote or settle the Offer;
12. **(listing):**
 - a) Terragen ceases to be admitted to the official list of ASX or the Securities (or interests in them) cease trading or are suspended from official quotation or cease to be quoted on the ASX (other than a voluntary suspension requested by Terragen and consented to by the Underwriter to facilitate the Offer (such consent not to be unreasonably withheld or delayed)); or
 - b) ASX makes any official statement to any person, or indicates to Terragen or the Underwriter that it will not grant permission for the official quotation of the Placement Securities, Institutional Entitlement Securities or Retail Entitlement Securities; or
 - c) permission for the official quotation of the Placement Securities, Institutional Entitlement Securities or Retail Entitlement Securities is granted before the date of issue of those Offer Securities, but the approval is subsequently withdrawn, qualified or withheld;
13. **(applications)**
 - a) an application is made by ASIC for an order under Part 9.5 of the Corporations Act in relation to the Offer Materials or the Offer or ASIC commences, or gives notice of an intention to hold, any investigation or hearing in relation to the Offer or any of the Offer Materials or prosecutes or commences proceedings against or gives notice of an intention to prosecute or commence proceedings against Terragen; or
 - b) there is an application to a Government Agency (including, without limitation, the Takeovers Panel) for an order, declaration (including, in relation to the Takeovers Panel, of unacceptable circumstances) or other remedy in connection with the Offer (or any part of it) or any agreement entered into in respect of the Offer (or any part of it) except where such application does not become public and is withdrawn or dismissed within two Business Days after it is commenced or where it is commenced less than two Business Days before the Institutional Issue Date or Completion it has not been withdrawn or dismissed by the Institutional Issue Date or Completion, (as the case may be);
14. **(no misleading or deceptive conduct)** Terragen engages in conduct that is misleading or deceptive or which is likely to mislead or deceive in connection with the making of the Offer;
15. **(withdrawal)** Terragen withdraws or indicates that it does not intend to proceed with the Offer or any part of the Offer, or withdraws a document forming part of the Offer Materials;

Summary of Underwriting Agreement

Terragen has entered into a conditional Underwriting Agreement with Morgans Corporate Limited (the “**Underwriter**”) dated 5 December 2024 (“**Underwriting Agreement**”) under which the Underwriter has agreed to fully underwrite the Entitlement Offer, subject to the terms and conditions of the Underwriting Agreement.

Key terms of the Underwriting Agreement

The Underwriter’s obligations under the Underwriting Agreement, including to underwrite and manage the Entitlement Offer, are conditional on certain matters, including the timely delivery of certain due diligence materials, sign-offs and other documents. The Underwriter may, by notice to Terragen, terminate its obligations under the Underwriting Agreement on the occurrence of certain customary termination events for an agreement of this nature, including but not limited to, the following:

16. **(market disruption)** either of the following occurs:
- a general moratorium on commercial banking activities in Australia, the United States of America, Singapore, Hong Kong, the People’s Republic of China or the United Kingdom is declared by the relevant central banking authority in any of those countries, or there is a material disruption in commercial banking or security settlement or clearance services in any of those countries; or
 - trading in all securities quoted or listed on ASX, the London Stock Exchange, the Hong Kong Stock Exchange, the Singapore Stock Exchange or the New York Stock Exchange is suspended or limited in a material respect for more than one day on which that exchange is open for trading or substantially all of a trading day;
17. * **(hostilities)** there is major act of terrorism anywhere in the world or any of the following occurs:
there is an outbreak of hostilities not presently existing or a major escalation in existing hostilities occurs (in each case, whether or not a war or a national emergency has been declared);
a declaration is made of a national emergency or war; or
a pandemic, epidemic or large-scale outbreak of a disease, including without limitation SARS, swine or avian flu, H5N1, H7N9, COVID-19 (this is a material change only) or a related or mutated form of these, not presently existing occurs or in respect of which there is a major escalation (including an escalation resulting in a material shut-down of business), involving any one or more of Australia, New Zealand, the United States of America, the United Kingdom, any member state of the European Union, the People’s Republic of China, Israel, Ukraine, Syria, Iran, North Korea, Hong Kong or Singapore, or any diplomatic, military, commercial or political establishment of any of these countries elsewhere in the world;
18. * **(political or economic conditions)** the occurrence of any adverse change or disruption to financial, political or economic conditions, currency exchange rates or controls or financial markets in Australia, New Zealand, any member state of the European Union, the United States of America, the United Kingdom, the People’s Republic of China, Hong Kong, Singapore or elsewhere or any change or development involving a prospective adverse change in any of those conditions or markets;
19. * **(representations and warranties)** a representation and warranty contained in this document on the part of Terragen is untrue or incorrect when given or taken to be given or becomes untrue or incorrect;
20. **(Certificate – delay)** any Certificate which is required to be furnished by Terragen under this document is not furnished when required;
21. * **(Certificate – incorrect)** any Certificate which is required to be furnished by Terragen under this document is untrue, incorrect or misleading;
22. **(delay)** any event specified in this document (including in the Timetable) is delayed by two Business Days or more, without the prior written consent of the Underwriter;
23. **(unauthorised change)** Terragen or an Issuer Group Member:
disposes, or agrees to dispose, of the whole, or a substantial part, of its business or property other than as contemplated in the Offer Materials;
ceases or threatens to cease to carry on business;
alters its capital structure, other than as contemplated in the Offer Materials; or
amends its constitution or other constituent document of an Issuer Group Member;
24. * **(breach)** Terragen fails to perform or observe any of its obligations under this document;

25. **(compliance):**
a contravention by Terragen or any Issuer Group Member of the Corporations Act, the Constitution (or equivalent applicable documents), the Listing Rules, any applicable laws, or a requirement, order or request made by or on behalf of the ASIC, ASX or any other Government Agency or any agreement entered into by it; or
any Offer Materials or any aspect of the Offer does not comply with the Corporations Act, the Listing Rules, the ASX Approvals, the ASIC Modifications or any other applicable law or regulation;
26. **(change in directors or management)** a change to the chief executive officer or chief financial officer or the board of directors of Terragen occurs, or any such changes are announced (other than a change announced to ASX prior to the date of this document);
27. **(prosecution)** any of the following occurs:
a director or senior member of management of Terragen engages in any fraudulent conduct or activity, or is charged with an indictable offence;
any Government Agency commences any public proceedings against Terragen or any director in their capacity as a director of Terragen, or announces that it intends to take such action; or
any director of Terragen is disqualified from managing a corporation under Part 2D.6 of the Corporations Act; or
an investigation, inquiry or other similar communication is received from a Government Agency in relation to Terragen;
28. **(Encumbrance)** a person Encumbers or agrees to Encumber, the whole or a substantial part of the business or property of Terragen or Terragen Group;
29. **(ASX Approvals)** ASX withdraws, revokes or amends the ASX Approvals;
30. **(ASIC Modifications)** ASIC withdraws, revokes or amends the ASIC Modifications;
31. **(Trading Halt)** the Trading Halt ends before the expiry of the relevant period referred to in the Timetable without the prior written consent of the Underwriter; or
32. **(Insolvency)** an Insolvency Event occurs to an Issuer Group Member or there is an act which has occurred or any omission made which would result in an Insolvency Event occurring in respect of any Issuer Group Member.

Those termination events which contain an asterisk (*) are subject to the qualifier that, in order to terminate, the Underwriter must have the reasonable opinion that:
the event has had or is likely to have, individually or in the aggregate, a Material Adverse Effect; or
the Underwriter will or is likely to contravene, be involved in a contravention of, or incur a liability under the Constitution, the Corporations Act or any other applicable law as a result of the event.

Material Adverse Effect means any event, matter or thing:
in relation to the representations and warranties provided by Terragen under the Underwriting Agreement, that has or is likely to have, in the reasonable opinion of the Underwriter; and
in all other circumstances, that has or is likely to have,
a material adverse change or effect, or any development involving a prospective material adverse change or effect, in or affecting:
the business operations, condition, assets, liabilities, financial or trading position or performance, profits, losses, management or prospects, earnings position, or results of operations of the Terragen Group (taken as a whole);
the market price of the Terragen securities; or
the success, outcome, marketing, promotion or settlement of the Entitlement Offer.



Richard Norton

Managing Director & CEO

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Terragen Holdings Ltd.

ASX:TGH

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