

21 December 2020



## Letter to Eligible Shareholders Share Purchase Plan

Dear Shareholder,

On behalf of the Board of Talga Group Ltd (ACN 138 405 419) (**Company**), I am pleased to offer you the opportunity to subscribe for fully paid ordinary shares in the Company (**Shares**) under a Share Purchase Plan (**SPP**).

The Company is offering eligible shareholders the opportunity to apply under the SPP for up to a maximum of A\$30,000 worth of Shares at an issue price of A\$1.45 per Share (**Issue Price**). Shareholders will be eligible to participate in the SPP if they have a registered address in Australia or New Zealand as at 5.00pm (AWST) on 14 December 2020 (**Eligible Shareholders**).

The Issue Price is equal to the price at which the Company undertook its placement to institutional, sophisticated and professional investors announced on 15 December 2020, which raised A\$25 million (before costs).

The Issue Price represents a 17.8% discount to the last closing price of A\$1.765 per share as at 14 December 2020 and a 19.9% discount to the volume weighted average market price of Shares over the last five days on which sales of Shares were recorded on the Australian Securities Exchange (**ASX**) immediately prior to the SPP being announced.

### Offer Document

An offer document with the terms and conditions for the SPP was lodged with the ASX today (**Offer Document**). A copy of the Offer Document which contains information about how to apply under the SPP is available online at <https://investor.automic.com.au/#/home>. The Company encourages you to carefully read the Offer Document before making your investment decision, noting that you will be bound by the terms and conditions in the Offer Document if you choose to participate.

The Company intends to raise up to A\$10 million under the SPP (before costs and subject to the Company's discretion to accept oversubscriptions). Please refer to the Offer Document for details as to the application of this discretionary cap and potential scale-back under the SPP.

### How to apply

Information with respect to applying for Shares under the Offer is outlined on your personalised Share Purchase Plan Application Form which is accessible at <https://investor.automic.com.au/#/home>. You will need to provide your Security Holder Reference Number or Holder Identification Number and postcode to access the online application system and follow the instructions provided including making payment by BPAY® (for Eligible Shareholders with an eligible Australian bank account). This is the fastest and easiest way to apply.

A New Zealand shareholder that is unable to pay by BPay® should contact the Share Registry on +61 2 9698 5414 at any time from 8.30am to 5.00pm (AWST time) Monday to Friday during the Offer period, for alternative electronic funds transfer payment arrangements.

| I already have an online account with Automic  | I do not have an online account with Automic and want to register   | I do not have an online account with Automic and wish to access one time only   |
|--|---|---|
| <p>1. Visit:<br/><a href="https://investor.automic.com.au">https://investor.automic.com.au</a></p> <p>2. Under <i>Existing users sign in</i> enter your established username and password</p> <p>3. Once you have successfully logged in, click on: Documents &amp; Statements &gt; download next to the SPP Terms and Conditions and Application form</p> | <p>1. Visit:<br/><a href="https://investor.automic.com.au/#/signup">https://investor.automic.com.au/#/signup</a></p> <p>2. Select <i>Talga Group Ltd</i> from the dropdown list in the Issuer Name Field</p> <p>3. Enter your Holding Number (SRN/HIN)</p> <p>4. Enter your postcode OR country of residence (only if outside Australia)</p> <p>5. Tick the box "I'm not a robot" and then select "Next"</p> <p>6. Complete the prompts to set up your username and password details</p> <p>7. Once you have successfully logged in, click on: Documents &amp; Statements &gt; download next to the SPP Terms and Conditions and Application form</p> | <p>1. Visit:<br/><a href="https://investor.automic.com.au/#/loginsah">https://investor.automic.com.au/#/loginsah</a></p> <p>2. Select <i>Talga Group Ltd</i> from the dropdown list in the Issuer Name Field</p> <p>3. Enter your Holding Number (SRN/HIN)</p> <p>4. Enter your postcode OR country of residence (only if outside Australia)</p> <p>5. Tick the box "I'm not a robot" and then select "Access"</p> <p>6. Once you have successfully logged in, click on: Documents &amp; Statements &gt; download next to the SPP Terms and Conditions and Application form</p> |

### Participation in the SPP

The SPP is available to all Eligible Shareholders to apply for a minimum of A\$1,000 and a maximum of A\$30,000 worth of Shares, in the increments set out in the Offer Document, at the Issue Price.

Applications for SPP Shares can only be made by Eligible Shareholders and your right to participate in the SPP is not transferable. Participation is optional and Eligible Shareholders may elect to do nothing. If you choose to do nothing, you will continue to hold the same number of Shares, however, your interest in the Company will be diluted.

If you are uncertain whether Shares are a suitable investment for you, you should consult your financial or other suitably qualified professional adviser. The Board recommends that you obtain your own financial advice in relation to the SPP and consider price movements of Shares in the Company prior to electing to participate in the SPP.

### Enquiries

If you have any queries in relation to your Application Form or the Offer, please contact the Share Registry on +61 (0) 2 9698 5414 or the Company Secretary on +61 (0) 8 9481 6667.

Yours faithfully



**Terry Stinson**  
Non-Executive Chairman  
Talga Group Ltd



Talga Group Ltd (ACN 138 405 419)

All Registry Communication to:



GPO Box 5193, Sydney NSW 2001  
 1300 288 664 (within Australia)  
 +61 2 9698 5414 (international)  
 corporate.actions@automicgroup.com.au  
 www.automicgroup.com.au

SRN/HIN:

ASX Code: TLG

Record Date: 5:00pm (AWST), 14 December 2020

# SHARE PURCHASE PLAN APPLICATION FORM

**OFFER CLOSES 5:00PM (AWST) ON 15 January 2021**

## 1: SUBSCRIPTION

Talga Group Ltd (ACN 138 405 419) (**Company**) is offering Eligible Shareholders (as defined below) the opportunity to purchase up to A\$30,000 of fully paid ordinary shares (**Shares**) in the Company (subject to any discretionary scale back or oversubscriptions) by way of a Share Purchase Plan (**SPP**) to raise up to A\$10 million (before costs). The price per Share under the SPP (**Issue Price**) being offered is A\$1.45 per Share. Other than as defined in this Application Form, capitalised terms have the same meaning as defined in the SPP Offer Booklet.

If you are an Eligible Shareholder, you may subscribe for any one of the following parcels (*subject to a maximum band or any scale back*) described below by paying the relevant Application Amount in accordance with the payment instructions in section 2 of this Application Form:

|          | Application Amount | Number of new Shares |
|----------|--------------------|----------------------|
| Option A | \$1,000            | 690                  |
| Option B | \$2,000            | 1,379                |
| Option C | \$5,000            | 3,448                |
| Option D | \$10,000           | 6,897                |
| Option E | \$15,000           | 10,345               |
| Option F | \$20,000           | 13,793               |
| Option G | \$30,000           | 20,690               |

## 2: PAYMENT: You can pay only by BPAY®



**Bill Code:**

**Ref No:**

Contact your financial institution to make your payment from your cheque or savings account.

**Note:** You do not need to return this form if you have made payment via BPAY®. Your BPAY® reference number will process your payment to your Share subscription electronically.

**Due to the Government restrictions under the Public Health (COVID-19) Restrictions on Gathering and Movement) Order 2020 (No 4) and for the purposes of public health and safety, payments in cash or by cheque will not be accepted.**

# INSTRUCTIONS FOR COMPLETION OF THIS FORM

The right to participate in the SPP is optional and is only available to shareholders who are registered as holders of fully paid ordinary shares in the capital of the Company as at 5:00pm (AWST) on the Record Date of 14 December 2020 with a registered address in Australia or New Zealand and you are not in the United States or acting for the account or benefit of a person in the United States. (**Eligible Shareholders**).

## HOW TO APPLY FOR SHARES UNDER THE SPP

### 1 Subscription

As an Eligible Shareholder, you may subscribe for up to A\$30,000 worth of new Shares in one parcel of \$1,000, \$2,000, \$5,000, \$10,000, \$15,000, \$20,000 or A\$30,000. Applications may be scaled back at the absolute discretion of Talga Group.

### 2 Payment

**Payment by BPAY:** You can only make a payment via BPAY® if you are the holder of an account with an Australian financial institution that supports BPAY® transactions. **To BPAY® this payment via internet or telephone banking use your reference number quoted on the front of this form.** Multiple acceptances must be paid separately. Applicants should be aware of their financial institution's cut-off time (the payment must be made to be processed overnight).

You do not need to return this form if you have made payment via BPAY®. Your BPAY® reference number or unique payment reference number will process your payment to your entitlement electronically and you will be deemed to have applied for such Shares for which you have paid.

Applicants should be aware of their financial institution's cut-off time (the payment must be made to be processed overnight) and it is the Applicant's responsibility to ensure funds are submitted correctly by the closing date and time.

If you are a New Zealand shareholder that is unable to pay by BPAY®, please contact the Share Registry during the Offer period for alternative electronic funds transfer payment arrangements for the number of New Shares you wish to apply for.

**The Company and the Share Registry accept no responsibility for incorrect, delayed or misdelivered Application Forms or payments.**

**Due to the Government restrictions under the Public Health (COVID-19) Restrictions on Gathering and Movement) Order 2020 (No 4) and for the purposes of public health and safety, payments in cash or by cheque will not be accepted.**

### 3 Contact Details & Elect to be an e-Shareholder

Please enter a contact number we may reach you on between the hours of 8:30am and 5:00pm AWST.

As a valued shareholder in Talga Group Ltd, you can help minimise the costs of printing and mailing by electing to receive all shareholder communications electronically. This will ensure you receive all future important shareholder communications in a faster and more secure way. Please enter your details and return to our Registry by email to [hello@automicgroup.com.au](mailto:hello@automicgroup.com.au).

|                            |  |
|----------------------------|--|
| Telephone Number<br>(    ) | Contact Name (PLEASE PRINT) <b>TLG –</b> |
| Email Address              |  |

SAMPLE

## IMPORTANT INFORMATION

1. This is an important document which requires your immediate attention. If you are in any doubt as to how to deal with this Application Form, please consult a professional adviser.
2. If you do not wish to purchase Shares under the SPP, there is no need to take action.
3. Please ensure you have read and understood the terms and conditions of the SPP in the SPP Offer Booklet accompanying this Application Form and this section entitled "Important Information" before making payment by BPAY®.
4. The offer for Shares under the SPP is non-renounceable. Applications can only be accepted in the name printed on the Application Form.
5. If you are a custodian, trustee or nominee within the meaning of "Custodian" as defined in ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547, you must complete and submit an additional certificate that contains further certifications and details (Custodian Certificate) that must be provided before your application will be received. The Custodian Certificate can be obtained by contacting the Registry on the telephone number set out below. Applications received by Custodians that are not accompanied by the Custodian Certificate will be rejected.
6. For applicants that are not required to complete the Custodian Certificate, by making payment by BPAY®, you certify that the aggregate of the payment paid by you for:
  - the parcel of Shares indicated on this Application Form or BPAY®; and
  - any other Shares applied for by you, or which you have instructed a custodian to acquire on your behalf under the SPP or any other similar arrangement in the 12 months prior to making payment by BPAY® does not exceed A\$30,000.
7. The maximum subscription limitation of A\$30,000 will apply even if you have received more than one Application Form (whether in respect of a joint holding or because you have more than one holding under separate security accounts).
8. You are not assured of receiving the Shares for which you have applied as the Company may scale back applications in its absolute discretion.
9. By making payment of application monies, you certify that:
  - you wish to apply for Shares under the SPP as indicated on this Application Form and acknowledge that your application is irrevocable and unconditional;
  - you have read and understood the terms and conditions of the SPP;
  - you agree to be bound by the Constitution of the Company and the terms and conditions in the SPP Offer Booklet;
  - you agree to accept any lesser number of Shares than the number of shares applied for; and
  - you are not in the United States and are not acting for the account or benefit of a person in the United States and have not sent any offering materials relating to the SPP offer to any person in the United States.

**If you require further information about the Offer, please contact Automic on 1300 288 664 or +61 2 9698 5414 between 8:30am and 5:00pm (AWST).**