

ASX Announcement

30 June 2021

TAMBORAN RESOURCES LIMITED (Company)

Pre-Quotation Disclosure

The following information is provided to ASX Limited (ASX) as pre-quotation disclosure for release to the market in connection with:

- A. the initial public offering of fully paid ordinary shares in the Company (Shares) under a replacement prospectus (**Prospectus**) lodged with the Australian Securities and Investments Commission on 4 June 2021 (**Offer**) as supplemented by a supplementary prospectus issued by the Company and lodged with ASIC on 17 June 2021; and
- B. the official quotation of Shares in the Company.

Capitalised terms not defined in this document have the meaning given to them in the Prospectus.

1. Funds raised under the Prospectus

The Company confirms that the Offer (consisting of the Institutional Offer, Broker Firm Offer, Priority Offer and General Offer) under the Prospectus has closed and the Company has completed the issue of 152,510,514 Shares on 25 June 2021 at an issue price of \$0.40 per Share under the Offer to raise gross proceeds of \$61 million (before expenses).

2. Compliance with ASX Recommendations

As disclosed in Section 6.7 of the Prospectus, the Company intends to comply with all of the ASX Recommendations from the time of its Listing, except as set out below.

ASX Recommendation	Response
Recommendation 2.4 A majority of the board of a listed entity should be independent directors.	The Company considers that the composition of the Board is appropriate given the size and specialist nature of the Company's business. The Board considers that Tamboran is not currently of a size, nor are its affairs of such complexity to justify the expense of the appointment of a majority of independent non-executive directors.

<p>Recommendation 4.1</p> <p>The board of a listed entity should:</p> <p>a) have an audit committee which:</p> <p>(i) has at least three members, all of whom are nonexecutive directors and a majority of whom are independent directors; and</p> <p>(ii) is chaired by an independent director, who is not the chair of the board</p>	<p>The Audit and Risk Management Committee will comprise of Mr Patrick Elliott (Chair), Dave Siegel and Daniel Chandra. Each of these directors is a non-executive director who is not independent. The Company considers that the commercial, accounting and finance experience offered by these directors is valuable to the Audit and Risk Management Committee. The Company considers that, due to the size and scale of the Company's operations, partial compliance with the recommendation will not be detrimental to the Company.</p>
<p>Recommendation 7.1</p> <p>The board of a listed entity should:</p> <p>a) have a committee or committees to oversee risk, each of which:</p> <p>(i) has at least three members, a majority of whom are independent directors; and</p> <p>(ii) is chaired by an independent director</p>	<p>Refer to the response above.</p>
<p>Recommendation 8.1</p> <p>The board of a listed entity should:</p> <p>a) have a remuneration committee which:</p> <p>(i) has at least three members, a majority of whom are independent directors; and</p> <p>(ii) is chaired by an independent director</p>	<p>The Remuneration Committee will comprise of Dave Siegel (Chair), Ann Diamant and Fredrick Barrett. Ann Diamant and Fredrick Barrett are independent however the Chair Dave Siegel is not independent. The Company has appointed Dave Siegel as Chair given his background, skills and experience.</p>

3. Confirmation of conversion of Redeemable Preference Shares

The Company confirms that the issue of 237,088,597 Shares on 25 June 2021 upon conversion of all the Redeemable Preference Shares on issue has been completed.

4. Despatch of holding statements

The Company confirms that CHESS allotment notices, issuer sponsored holding statements and total refund monies was despatched on 25 June 2021.

5. Updated statement of commitments

Sections 1.8 and 7.4 of the Prospectus set out the Company's proposed use of funds raised under the Offer, assuming a minimum raising size of \$60 million (before expenses) and a maximum raising size of \$66 million (before expenses).

Now that the actual amount of funds raised under the Offer is known; being \$61 million (before expenses), an updated statement of commitments is set out below:

Sources	\$000
Existing cash reserves	10,826
Gross proceeds from offer	61,004
Total	71,830

Use of Funds	\$000	%
EP161 Tanumbirini 2H & 3H Horizontal wells (25%)	13,600	18.9%
EP136 2D Seismic	3,500	4.9%
EP136 Maverick #1H Horizontal well (100%)	40,354	56.2%
Royalty reduction payment and leasehold improvements	1,500	2.1%
General administration and working capital	8,226	11.5%
Costs of the Offer	4,650	6.5%
Total Funds Used	71,830	100%

6. Escrow arrangements

Certain Shareholders have entered into mandatory escrow and voluntary escrow arrangements in relation to the Shares they hold.

(a) Mandatory escrow

The total number of Shares and Options subject to mandatory escrow is 249,498,176. The mandatory escrow restrictions apply to these Shares and Options as follows:

Number of Shares and Options	Mandatory escrow period
212,321,233 Shares	24 months from the date of official quotation of the Shares

Number of Shares and Options	Mandatory escrow period
15,000,000 Shares	12 months from the date of issue ending on 17/12/2021
110,926 Shares	12 months from the date of issue ending on 15/01/2022
3,095,475 Shares	12 months from the date of issue ending on 21/05/2022
16,151,251 Options	24 months from the date of official quotation of the Shares
2,819,290 Options	12 months from the date of issue

(b) Voluntary escrow

189,753,415 Shares will be subject to a 6 month voluntary escrow commencing from the date of quotation of the Company's Shares on ASX.

7. Capital Structure of the Company

The Company's capital structure on admission to the ASX will comprise the following:

- (a) 652,860,557 Shares; and
- (b) 36,970,541 unquoted Options, the details of which are set out at Section 7.21 of the Prospectus, as follows:
 - (i) 7,416,667 Options with an exercise price of \$0.2367 per Option; and
 - (ii) 13,553,874 Options with an exercise price of \$0.32 per Option.

There are no unquoted securities that were to be issued prior to the commencement of official quotation.

8. Bookbuild

The Company confirms that:

- (a) a total amount of \$48.6 million was raised by the issue of 121.5 million Shares at \$0.40 per Share pursuant to the institutional and broker firm bookbuilds undertaken by the Company in relation to the Offer (**Bookbuild**);
- (b) no material number of Shares have been applied for by a promotor or a related party of the Company under the Bookbuild;

- (c) no concessionary fees or other arrangements have been entered into which have had the result that the effective transfer price paid some allottees under the Bookbuild differs materially from the Bookbuild price of \$0.40;
- (d) no arrangements have been entered into which have had the result that some allottees under the Bookbuild have received a material benefit for agreeing to participate in the Bookbuild and which have not been received by other allottees; and
- (e) no arrangements have been entered into with associates of the Company or the bookrunner to avoid a shortfall, or the appearance of a shortfall, in the Bookbuild.

9. Updated pro forma historical statement of financial position

Section 4.4 of the Prospectus contained the Company's pro forma historical statement of financial position assuming a minimum raising size of \$60 million (before expenses) and a maximum raising size of \$66 million (before expenses).

Now that the actual amount of funds raised under the Offer is known; being approximately \$61 million (before expenses), an updated pro forma historical statement of financial position is annexed at Annexure A.

10. Documents enclosed for release to the market

Enclosed for release to the market are the following documents:

- the Company's Appendix 1A, Information Form and Checklist, Annexure 2 (Oil and Gas Entities)
- the Prospectus and Supplementary Prospectus
- the Company's constitution;
- the Company's audited accounts for the full years ended 30 June 2019 and 30 June 2020 and its reviewed accounts for the half year ended 31 December 2020;
- the Company's security trading policy;
- a distribution schedule of the number of holders of Shares; and
- a statement setting out the names of the 20 largest Shareholders.

Authorised on behalf of the Tamboran Resources Limited Board of Directors by Joel Riddle, Managing Director.

Annexure A - Updated pro forma historical statement of financial position

A\$000's	Historical as at 31-12-20	Pro Forma Adjustments (\$61M) (a) 31-12-20	Adjustments for Listing	Unaudited Pro Forma Historical as at 31-12-20 (b)
			Conversion of RPS	
Cash	11,494	55,858		67,352
Receivables	1,158	391		1,549
Total current assets	12,652	56,249		68,901
PP&E	697			697
Deferred exploration & evaluation expenditures	17,005			17,005
Right of use assets	2,398			2,398
Total non-current assets	20,100	-		20,100
Total assets	32,752	56,249		89,001
Payables	2,938			2,938
Employee costs and accruals	792			792
Lease liabilities	300			300
Total current liabilities	4,030	-		4,030
Employee costs and accruals	65			65
Lease liabilities	2,134			2,134
Other financial liabilities	68,950		(68,950)	-
Total non-current liabilities	71,149	-	(68,950)	2,199
Total liabilities	75,179	-	(68,950)	6,229
Net assets	(42,427)	56,249	68,950	82,772
Share Capital	25,654	57,385	68,950	151,989
Reserves	4,202	-		4,202
Accumulated Loss	(72,283)	(1,136)		(73,419)
Total equity	(42,427)	56,249	68,950	82,772