

Successful \$11 million Placement and Share Purchase Plan

- **\$11 million Placement completed with strong support by existing and new investors**
- **Share Purchase Plan offer to eligible Talon shareholders to participate at the same price as the Placement**

Talon Energy Ltd (Talon or the Company) is pleased to announce that it has received firm commitments to raise \$11 million through a placement of new fully paid ordinary shares (**New Shares**) in Talon Energy Ltd (**Placement**). The Placement has been well supported by existing and new institutional, and sophisticated investors. Of note, Managing Director and CEO, Colby Hauser, subject to shareholder approval, to invest \$150,000 on the same terms as the Placement. Settlement of the Placement is scheduled to take place on Thursday 5 May 2022.

On settlement of the Placement the Company will issue 1,375,000,000 New Shares as detailed below:

- 953,568,429 New Shares issued under the Talon's Listing Rule 7.1 capacity
- 396,681,571 New Shares issued under the Talon's Listing Rule 7.1A capacity
- 24,750,000 New Share to be issued to directors of the Company subsequent to receiving shareholder approval

In addition to the Placement, Talon will also offer eligible shareholders of the Company the opportunity to participate in a Share Purchase Plan (**SPP**) to raise a further \$4 million.

Participation in the SPP is optional and will be available exclusively to shareholders of Talon who were registered holders of Talon shares at 5.00pm (AWST) on Thursday 28 April 2022 (**Record Date**), and whose registered address is in Australia or New Zealand (**Eligible Shareholder**). The closing date for acceptances under the SPP will be at 5:00 pm (AEST) on Friday 20 May 2022 (**Closing Date**). If total applications under the SPP exceed \$4 million, Talon reserves the right to close the SPP early and/or scale back applications in its absolute and sole discretion. Talon shareholders are therefore encouraged to submit their applications promptly. Talon also reserves the right to accept additional applications. The Company reserves the right to extend the Closing Date at its discretion. The terms and conditions of the SPP will be detailed within offer documentation which is expected to be dispatched on Thursday the 5th of May 2022.

Eligible shareholders will have the opportunity to apply for up to \$30,000 of New Shares in the Company at the same price as that paid by participants in the Placement, being \$0.008 per New Share, which represents a discount of 13.2% to \$0.0092 (being the volume weighted average market price of Talon shares over the last 5 trading days before the day on which the SPP was announced), and a 20% discount to the last traded price of \$0.01 on 26 April 2022. An indicative timetable for the SPP can be found at Annexure 1.

Talon Managing Director, Colby Hauser commented: *"Talon is delighted with the successful outcome of the Placement and the support received from new and existing shareholders. The proceeds will be used for Talon's share of the development of the Walyering Gas Field in the Perth Basin, as we look to transition Talon from explorer to gas producer, as well as progressing our other Perth Basin Projects and operations in Mongolia."*

We are also pleased to be offering eligible existing shareholders an opportunity to participate in the growth of the Company by way of take up in the SPP. With funding for our portfolio of projects now secured, it is set to be an exciting period for Talon and its shareholders."

Canaccord Genuity (Australia) Limited and Chieftain WA Securities Pty Ltd acted as Joint Lead Managers to the Placement.

This Announcement is authorised for release by the Managing Director.

For further information, please contact:

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Annexure 1 – Indicative SPP Timetable

Record Date for Share Purchase Plan	28 April 2022
Issue of Shares under Placement, and lodge Appendix 2A and Cleansing Notice with ASX	5 May 2022
Dispatch Share Purchase Plan booklet to shareholders and release Offer Letter on the ASX platform	
Opening date for Share Purchase Plan	5 May 2022
Closing date for Share Purchase Plan	20 May 2022
Announce of result of Share Purchase Plan	25 May 2022
Issue of new Shares under the Share Purchase Plan and lodge Appendix 2A	25 May 2022