



ASX Announcement

28 November 2022

SECURITIES ISSUE TERMS OF OPTIONS

Notice is hereby given by Tombola Gold Limited (the **Company**) of the issue of the following securities today:

- 6,365,885 fully paid ordinary shares by way of consideration for various services rendered to the Company;
- 1,000,000 unlisted options exercisable at \$0.05 for a period of 2 years, as partial consideration for investor relations and public relations services provided to the Company pursuant to a services contract; and
- 6,000,000 unlisted options exercisable at \$0.07 for a period of 2 years, as partial consideration for broking-related services provided to the Company.

An Appendix 2A for the shares and an Appendix 3G for the unlisted options will be lodged separately.

The general terms and conditions attaching to the unlisted options are set out in the attached schedule.

This Announcement was authorised by the Company Secretary.

For further enquiries:

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TOMBOLA GOLD LTD

Unlisted Options - General Terms and Conditions Summary

1. The Options are options to subscribe for shares in the capital of the Company.
2. The Options are unlisted, but are transferable in whole or in part, with the consent of the Company.
3. The Options may be exercised wholly or in part by delivering a duly completed form of notice of exercise together with a cheque or evidence of a funds transfer for the aggregate exercise price (number of Options exercised * the exercise price per Option) to the Company at any time on or before the expiry date.
4. Upon the valid exercise of the Options and payment of the aggregate exercise price, the Company will issue shares ranking pari passu with the then issued shares.
5. The Company does not intend to apply for listing of the Options on ASX.
6. The Company shall apply for listing (but does not guarantee quotation) on ASX of the resultant shares of the Company issued upon exercise of any Option.
7. While the Option holder does not have any participating rights in new issues of Securities in the Company during the term of any Options held, in the event of a bonus issue or pro-rata issue the Option holder shall be afforded sufficient notice to exercise the options before the record date to determine entitlements to the issue. It is a condition of the Options that any entitlements to bonus issues of Securities are only available to the Option holder in the event of a prior exercise of the Options. Similarly, the Option holder does not participate in any dividends unless the Options are exercised and the resultant shares of the Company are issued prior to the record date to determine entitlements to the dividend.
8. If there is a pro rata issue (except a bonus issue), the exercise price of an Option may be reduced according to the following formula:

$$O^n = \frac{O - E [P - (S + D)]}{N + 1}$$

Where:

- O^n = the new exercise price of the Option;
- O = the old exercise price of the Option;
- E = the number of underlying shares into which one Option is exercisable;
- P = if the Company is listed on ASX, the average market price per Share (weighted by reference to volume) of the underlying shares during the five (5) trading days ending on the day before the ex rights date or ex entitlements date and otherwise, the market value per Share determined by the auditor of the Company at the time of any pro-rata issue;
- S = the subscription price for a Share under the pro rata issue;
- D = the dividend due but not yet paid on existing underlying shares (except those to be issued under the pro rata issue); and
- N = the number of shares with rights or entitlements that must be held to receive a right to one new Share.

9. If there is a bonus issue to the holders of shares in the Company, the number of shares over which the Option is exercisable may be increased by the number of shares which the Option holder would have received if the Option had been exercised before the record date for the bonus issue.
10. The terms of the Options shall only be changed if holders (whose votes are not to be disregarded) of shares in the Company approve of such a change. However, the terms of the Options shall not be changed to reduce the exercise price, increase the number of Options or change any period for exercise of the Options.
11. In the event of any reconstruction (including consolidation, subdivision, reduction or return) of the issued capital of the Company:
 - a. the number of Options, the exercise price of the Options, or both will be reconstructed (as appropriate) in a manner consistent with the ASX Listing Rules as applicable at the time of reconstruction, but with the intention that such reconstruction will not result in any benefits being conferred on the holders of the Options which are not conferred on shareholders; and
 - b. Subject to the provisions with respect to rounding of entitlements as sanctioned by a meeting of shareholders approving a reconstruction of capital, in all other respects the terms for the exercise of the Options will remain unchanged.