



Announcement Summary

Entity name

TALON PETROLEUM LIMITED

Announcement Type

New announcement

Date of this announcement

Thursday July 23, 2020

The Proposed issue is:

☒ A placement or other type of issue

Total number of +securities proposed to be issued for a placement or other type of issue

ASX +security code	+Security description	Maximum Number of +securities to be issued
n/a	Unlisted Options Expiring 28-02-2022 Exercisable at \$0.004	222,098,690
TPD	ORDINARY FULLY PAID	444,197,380

Proposed +issue date

Friday July 31, 2020

Refer to next page for full details of the announcement



Part 1 - Entity and announcement details

1.1 Name of +Entity

TALON PETROLEUM LIMITED

We (the entity named above) give ASX the following information about a proposed issue of +securities and, if ASX agrees to +quote any of the +securities (including any rights) on a +deferred settlement basis, we agree to the matters set out in Appendix 3B of the ASX Listing Rules.

1.2 Registered Number Type

ABN

Registration Number

88153229086

1.3 ASX issuer code

TPD

1.4 The announcement is

☒ New announcement

1.5 Date of this announcement

Thursday July 23, 2020

1.6 The Proposed issue is:

☒ A placement or other type of issue



Part 7 - Details of proposed placement or other issue

Part 7A - Conditions

7A.1 - Are any of the following approvals required for the placement or other type of issue?

- +Security holder approval
- Court approval
- Lodgement of court order with +ASIC
- ACCC approval
- FIRB approval
- Another approval/condition external to the entity

☒ Yes

7A.1a Conditions

Approval/Condition	Date for determination	Is the date estimated or actual?	** Approval received/condition met?
+Security holder approval	Monday August 31, 2020	<input checked="" type="checkbox"/> Estimated	

Comments

222,098,690 free-attaching unlisted options to the Tranche 1 shares will be subject to shareholder approval along with Tranche 2 of the placement (detailed in ASX Announcement dated 23 July 2020).

Part 7B - Issue details

Is the proposed security a 'New class' (+securities in a class that is not yet quoted or recorded by ASX) or an 'Existing class' (additional securities in a class that is already quoted or recorded by ASX)?

☒ Existing class

Will the proposed issue of this +security include an offer of attaching +securities?

☒ Yes

Details of +securities proposed to be issued

ASX +security code and description

TPD : ORDINARY FULLY PAID

Number of +securities proposed to be issued

444,197,380

Offer price details



Are the +securities proposed to be issued being issued for a cash consideration?

☒ Yes

In what currency is the cash consideration being paid?

AUD - Australian Dollar

What is the issue price per +security?

AUD 0.00200

Will these +securities rank equally in all respects from their issue date with the existing issued +securities in that class?

☒ Yes

Attaching +Security

Is the proposed attaching security a 'New class' (+securities in a class that is not yet quoted or recorded by ASX) or an 'Existing class' (additional +securities in a class that is already quoted or recorded by ASX)?

☒ New class

Attaching +Security - New class (+securities in a class that is not yet quoted or recorded by ASX)

Details of attaching +securities proposed to be issued

ISIN Code (if Issuer is a foreign company and +securities are non CDIs)

Have you received confirmation from ASX that the terms of the proposed +securities are appropriate and equitable under listing rule 6.1?

☒ No

Will the entity be seeking quotation of the 'new' class of +securities on ASX?

☒ No

ASX +security code

New class-code to be confirmed

+Security description

Unlisted Options Expiring 28-02-2022 Exercisable at \$0.004

+Security type

Options

Number of +securities proposed to be issued

222,098,690

Offer price details

Are the +securities proposed to be issued being issued for a cash consideration?

☒ No

Please describe the consideration being provided for the +securities

Nil - free-attaching options to Placement shares



Please provide an estimate of the AUD equivalent of the consideration being provided for the +securities

Will all the +securities issued in this class rank equally in all respects from their issue date?

☒ Yes

Options details

+Security currency

AUD - Australian Dollar

Exercise price

AUD 0.0040

Expiry date

Monday February 28, 2022

Details of the type of +security that will be issued if the option is exercised

TPD : ORDINARY FULLY PAID

Number of securities that will be issued if the option is exercised

One fully paid ordinary share (ASX:TPD) per option

Please provide a URL link for a document lodged with ASX setting out the material terms of the +securities proposed to be issued or provide the information by separate announcement.

The free-attaching options will be subject to shareholder approval, the detailed terms of the unlisted options will be included in the Notice of Meeting, also noted in the ASX release dated 23 July 2020.

Part 7C - Timetable

7C.1 Proposed +issue date

Friday July 31, 2020

Part 7D - Listing Rule requirements

7D.1 Has the entity obtained, or is it obtaining, +security holder approval for the entire issue under listing rule 7.1?

☒ No

7D.1b Are any of the +securities proposed to be issued without +security holder approval using the entity's 15% placement capacity under listing rule 7.1?

☒ Yes



7D.1b (i) How many +securities are proposed to be issued without security holder approval using the entity's 15% placement capacity under listing rule 7.1?

266,518,428 ordinary shares

7D.1c Are any of the +securities proposed to be issued without +security holder approval using the entity's additional 10% placement capacity under listing rule 7.1A (if applicable)?

☒ Yes

7D.1c (i) How many +securities are proposed to be issued without +security holder approval using the entity's additional 10% placement capacity under listing rule 7.1A?

177,678,952 ordinary shares

7D.1c (ii) Please explain why the entity has chosen to do a placement rather than a +pro rata issue or an offer under a +security purchase plan in which existing ordinary +security holders would have been eligible to participate

The Company considered a pro-rata issue or SPP would not achieve the desired outcome in an as timely manner or with as much certainty as could be achieved via a placement.

7D.2 Is a party referred to in listing rule 10.11 participating in the proposed issue?

☒ No

7D.3 Will any of the +securities to be issued be +restricted securities for the purposes of the listing rules?

☒ No

7D.4 Will any of the +securities to be issued be subject to +voluntary escrow?

☒ No

Part 7E - Fees and expenses

7E.1 Will there be a lead manager or broker to the proposed issue?

☒ Yes

7E.1a Who is the lead manager/broker?

Chieftain Securities Pty Ltd

7E.1b What fee, commission or other consideration is payable to them for acting as lead manager/broker?

5% fee on total funds raised, \$30,000 administration fee and 75,000,000 fully paid ordinary shares subject to shareholder approval.

7E.2 Is the proposed issue to be underwritten?

☒ No

7E.4 Details of any other material fees or costs to be incurred by the entity in connection with the proposed issue

50,000,000 unlisted broker options to be issued as part-payment of capital raise fees.

Part 7F - Further Information



7F.01 The purpose(s) for which the entity is issuing the securities

Placement will be applied towards a farmin for 45% participating interest in EP447, located onshore Perth Basin and operated by Strike Energy Limited (ASX:STX), to drill an exploration well on the Walyering Prospect, and general working capital costs.

7F.1 Will the entity be changing its dividend/distribution policy if the proposed issue proceeds?

☒ No

7F.2 Any other information the entity wishes to provide about the proposed issue