



Announcement Summary

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**Entity name**

TALON PETROLEUM LIMITED

**Announcement Type**

New announcement

**Date of this announcement**

Wednesday February 3, 2021

**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**

<b>ASX +security code</b>	<b>+Security description</b>	<b>Maximum Number of +securities to be issued</b>
n/a	TPD Unlisted Options exercisable \$0.006 expiring 28/02/2024	250,000,000
TPD	ORDINARY FULLY PAID	250,000,000

**Proposed +issue date**

Tuesday March 23, 2021

Refer to next page for full details of the announcement



Part 1 - Entity and announcement details

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**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**

Wednesday February 3, 2021

**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	Friday March 19, 2021	<input checked="" type="checkbox"/> Estimated	

**Comments**

Remaining shares from the Company's placement (Tranche 2) will be subject to shareholder approval along with 150,000,000 Advisor Options and 100,000,000 Broker Options as detailed in the ASX announcement lodged 3 February 2021. Advisor & Broker Options to be issued under the same terms and conditions.

## 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?**

 No

## Details of +securities proposed to be issued

**ASX +security code and description**

TPD : ORDINARY FULLY PAID

**Number of +securities proposed to be issued**

250,000,000

**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 0.00400

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

Yes

**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)?**

New class

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

No

Details of +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?**

Yes

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

Yes

**ASX +security code**

New class-code to be confirmed

**+Security description**

TPD Unlisted Options exercisable \$0.006 expiring 28/02/2024

**+Security type**

Options

**Number of +securities proposed to be issued**

250,000,000

**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 cash consideration.



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

537,500.000000

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

Yes

Options details

<b>+Security currency</b>	<b>Exercise price</b>	<b>Expiry date</b>
AUD - Australian Dollar	AUD 0.0060	Wednesday February 28, 2024

**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)

**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 unlisted 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 3 February 2021.

Part 7C - Timetable

**7C.1 Proposed +issue date**

Tuesday March 23, 2021

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?**

No

**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)?**

No



**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

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**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 is Lead Manager to the offer and Corporate Advisor to the Company.

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

The Company is to pay Chieftain a placement fee of 5% plus GST on the total funds raised through the Offer (Placement Fee). Chieftain may pay away some of the Placement Fee to other eligible brokers on a pro-rata basis for funds raised, that participate in the Offer. The Company is to pay Chieftain a management fee of 1% on total funds raised (Management Fee).

**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**

The Company has agreed to issue 105,000,000 Advisor Options to Chieftain's Securities for work completed as its Corporate Advisor to the Company with respect to the work done on the Waylering Farm-in transaction and the Mongolian Coal Seam Gas transaction with Telmen, which are subject to Shareholder approval.

The Company will issue an additional 45,000,000 Advisor Options to a third party for their work on delivering the Telmen deal to Talon.

The Company is also issuing 100,000,000 Broker Options as part of the completed fund-raising fee structure, which are subject to Shareholder approval.

All Advisor & Broker options will be issued on the same terms and conditions, exercisable at \$0.006 expiring 28/02/2024 and subject to shareholder approval at the Company's General Meeting to be held Late March 2021.

Part 7F - Further Information

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

Funds raised to farmin for a 33% participating interest in a soon to be issued Production Sharing Agreement in respect of the Gurvantes XXXV Field, located onshore Mongolia and to further exploration work in the PSC, drilling of multiple wells.

**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**

Funds raised through the placement will also be applied towards general working capital.