

NOTICE UNDER SECTION 708AA(2)(F) OF THE CORPORATIONS ACT

This notice is given by TNG Limited (ACN 000 817 023) ("TNG" or the "Company") under section 708AA(2)(f) of the Corporations Act 2001 (Cth) ("Corporations Act") and the applicable ASIC Corporations (Non-Traditional Rights Issue) Instrument 2016/84.

The Company has announced its intention to undertake an equity raising of up to approximately \$4,980,000 via a non-renounceable rights issue. The raising comprises a non-renounceable pro-rata rights issue of fully paid ordinary shares ("Shares"), on the basis of 1 new Share for every 20 Shares held as at 5.00pm (WST) on 2 July 2019 to eligible shareholders as per the Offer Document ("Rights Issue").

Based on the current capital structure (and assuming no options to acquire Shares ("Options") are exercised prior to the Record Date) a total of 53,549,716 Shares will be issued if the Rights Issue is fully subscribed and the amount raised will be approximately \$4,980,000. The Company currently has a total of 13,500,000 Options on issue.

Any entitlement not taken up pursuant to the Rights Issue may firstly be applied to the shortfall offer, whereby eligible shareholders may apply for Shares in excess of their entitlement ("Shortfall Offer"). The Directors, in consultation with the Underwriter, reserve the right to issue Shares under the Shortfall Offer at their absolute discretion. The Directors will only agree to issue Shares under the Shortfall Offer where they are satisfied, in their sole discretion, that the issue of Shares will not result in a person's voting power increasing above 20%.

The Rights Issue is fully underwritten by Deutsche Balaton AG (HRB 338172, Registry Court of Mannheim) ("Underwriter"). The Company must pay the Underwriter an underwriting fee of 4% (exclusive of GST) of the underwritten amount (being \$199,200). The Company must also reimburse the Underwriter for costs incidental to the Offer.

The Company hereby confirms that in respect of the Rights Issue (as per the requirements of paragraph 708AA(2)(f) of the Corporations Act):

- (a) the Company will offer the Shares for issue without disclosure to investors under Part 6D.2 of the Corporations Act, as notionally modified by the ASIC Instrument;
- (b) the Company is providing this notice under section 708AA(2)(f) of the Act, as notionally modified by the ASIC Instrument;
- (c) as at the date of this notice the Company has complied with:
 - (i) the provisions of Chapter 2M of the Corporations Act as they apply to the Company; and
 - (ii) section 674 of the Corporations Act as it applies to the Company;
- (d) as at the date of this notice, there is no excluded information of the type referred to in sections 708AA(8) and 708AA(9) of the Corporations Act; and
- (e) the potential effect that the issue of the Shares under the Rights Issue will have on the control of the Company is as follows:

- (i) if all eligible shareholders take up their entitlements under the Rights Issue, the issue of Shares under the Rights Issue will have no effect on the control of the Company and all shareholders will hold the same percentage interest in the Company, subject only to changes resulting from ineligible shareholders being unable to participate in the Rights Issue;
- (ii) in the more likely event that there is a shortfall, eligible shareholders who do not subscribe for their full entitlement of Shares under the Rights Issue and ineligible shareholders (if any) unable to participate in the Rights Issue will be diluted relative to those shareholders who subscribe for some or all of their entitlement; and
- (iii) in the event the Underwriter and its related entities accept their full entitlement and there is a shortfall and the resulting shortfall is not placed to other investors, the voting power in the Company of the Underwriter and its related entities will increase such that the Underwriter and its related entities will likely be the Company's largest shareholder. However, the Underwriter and its related entities will not be in a position to control the Company.

Inquiries:

Paul E Burton
Managing Director & CEO + 61 (0) 8 9327 0900

Jason Giltay
Company Secretary + 61 (0) 8 9327 0900