

26 June 2019

Dear Optionholder

**NOTICE TO OPTIONHOLDERS OF NON-RENOUNCEABLE RIGHTS ISSUE**

I am writing to you in relation to your option holding in TNG Limited (ASX: TNG) (“Company”).

The Company is undertaking a non-renounceable pro rata rights issue on the basis of one (1) new fully paid ordinary share (“New Share”) for every twenty (20) fully paid ordinary shares in the Company (“Shares”) held by Eligible Shareholders (defined below) at an issue price of \$0.093 per New Share (“Rights Issue”) to raise approximately \$4,980,000 (before costs).

The Rights Issue will be made by way of an offer document pursuant to section 708AA of the Corporations Act 2001 (Cth) (as modified by ASIC Corporations (Non-Traditional Rights Issues) Instrument 2016/84), meaning that no prospectus needs to be prepared (“Offer Document”). Up to 53,549,716 New Shares will be issued under the Rights Issue.

The Company intends to apply the funds raised from the Rights Issue as follows:

<b>Use of Funds</b>	<b>Amount</b>
Front-end Engineering & Design, and associated works	\$2,500,000
Non-process infrastructure planning and design	\$1,000,000
Permitting and approvals	\$500,000
Expenses of the Offer	\$274,000
Working capital	\$706,000
<b>Total</b>	<b>\$4,980,000</b>

The Rights Issue is only available to shareholders whose registered address is in Australia and New Zealand, as recorded with the Company's share registry as at 5:00pm (WST) on 2 July 2019 (“Record Date”) (“Eligible Shareholders”), and otherwise in accordance with the Offer Document.

As a non-renounceable offer, rights are not tradeable on the ASX or otherwise transferable. New Shares will rank equally with the Company's existing Shares.

In accordance with the Listing Rules, the Company, by this letter, gives you notice of your right to participate in the Rights Issue, subject to the requirements detailed below.

To participate in the Rights Issue, you will need to have exercised your options and have been issued the resulting Shares prior to the Record Date. Notice of exercise of options and cleared payment of the exercise price of the options must be received by the Company's share registry, Computershare Investor Services Pty Limited, on or before 5:00pm (WST) on 2 July 2019. Notices of exercise of



options received after this date cannot be assured of the allotment of Shares by the Record Date for the Rights Issue.

There is no obligation for you to exercise your options. This letter is intended to inform you of your rights in relation to your options and the Rights Issue. If you do not wish to participate in the Rights Issue, you do not need to take any action. If you require an option exercise form, please contact the Company Secretary on +61 8 9327 0900.

### **Indicative Timetable**

The indicative timetable for the Rights Issue is as follows:

<b>Event</b>	<b>Proposed Date</b>
Offer Document, Appendix 3B and Cleansing Notice lodged with ASX Notification sent to option holders	26 June 2019
Notice of Rights Issue sent to security holders	28 June 2019
Existing shares quoted on an 'ex' basis	1 July 2019
Record date	2 July 2019
Despatch of Offer Document to Eligible Shareholders Offer Period Opens	5 July 2019
Last day to extend the Offer Period	19 July 2019
Offer Period Closes	24 July 2019
Securities quoted on a deferred settlement basis.	25 July 2019
Notification of under-subscriptions to ASX (if any)	29 July 2019
Shares Issued Holding statements despatched	31 July 2019

This timetable is indicative only. The Company reserves the right to amend this indicative timetable at any time, subject to the Corporations Act 2001 (Cth) and the Listing Rules.

In particular, subject to the Listing Rules, the Directors reserve the right to extend the Closing Date set out above at their discretion. Should this occur, the extension will have a consequential effect on the anticipated date of issue for the New Shares.

### **Offer Document**

The Company lodged the Offer Document with ASX on 26 June 2019, and it is available on the ASX website at [www.asx.com.au](http://www.asx.com.au). The Company expects to dispatch the Offer Document to shareholders of the Company on or about 5 July 2019. The Offer Document provides further details of the Rights Issue.



If you have any queries in relation to the Rights Issue, please do not hesitate to contact the Company Secretary, or Investor and Public Relations Executive, on +61 8 9327 0900.

**For and on behalf of  
TNG Limited**

Paul Burton  
**Managing Director and CEO**

