

28 June 2019

Dear Shareholder

**NOTICE TO ELIGIBLE SHAREHOLDERS
OF NON-RENOUNCEABLE RIGHTS ISSUE**

As announced on 11 June 2019, TNG Limited (ASX: TNG) (the “Company” or “TNG”) is undertaking a 1:20 pro rata non-renounceable rights issue (“Entitlement Issue” or “Offer”) of approximately 53,549,716 fully paid ordinary shares (“New Share”) to raise approximately \$4,980,000. The price of New Shares under the Offer is \$0.093 each (“Issue Price”). The Company lodged an Offer Document for the Offer (“Offer Document”) with ASX on 26 June 2019.

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

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

Use of Funds	Amount
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
Total	\$4,980,000

The Offer is being made to all shareholders of the Company (“Shareholders”) named on its register of members at 5:00pm (WST) on 2 July 2019, whose registered address is in Australia and New Zealand (“Eligible Shareholders”), and otherwise in accordance with the Offer Document.

New Shares will rank equally with all fully paid ordinary shares in the capital of the Company (“Shares”) already on issue.

Following completion of the Offer, the Company will have issued approximately 53,549,716 New Shares resulting in total Shares on issue of approximately 1,124,544,043.

A copy of the Offer Document is available on the ASX and TNG websites. Eligible Shareholders will be mailed an Offer Document together with an Entitlement and Acceptance Form no later than 5 July 2019. Your entitlement will be set out on the personalised Entitlement and Acceptance Form accompanying the Offer Document.



For the purposes of calculating each Eligible Shareholders' entitlement, fractions of entitlements have been rounded up to the nearest whole number of New Shares.

Actions required of Eligible Shareholders

There are a number of actions Eligible Shareholders may take:

- You may wish to accept all of your rights to subscribe for New Shares pursuant to the Offer Document ("Entitlement"). To take up all of your Entitlements you will need to ensure your application money for your full Entitlements is received by Computershare Investor Services Pty Limited ("Share Registry") by 24 July 2019, by completing and returning your Entitlement and Acceptance Form together with your cheque, drawn on an Australian bank or bank draft made payable in Australian currency, for the amount indicated on the Entitlement and Acceptance Form (by no later than 5pm (WST)) or by making a payment by BPAY in accordance with the instructions on your Entitlement and Acceptance Form (by no later than 3pm (WST)).
- You may wish to accept part of your Entitlement. To take up part of your Entitlement you will need to ensure your application money for the Entitlements you wish to take up is received by the Share Registry by 24 July 2019, by completing and returning your Entitlement and Acceptance Form by filling in the number of New Shares you wish to accept in the space provided on the Entitlement and Acceptance Form together with your cheque, drawn on an Australian bank or bank draft made payable in Australian currency, for the appropriate application monies (by no later than 5pm (WST)) or by making a payment by BPAY in accordance with the instructions on your Entitlement and Acceptance Form (by no later than 3pm (WST)) (at \$0.093 per New Share).
- You may wish to accept all of your Entitlement and apply for New Shares under the shortfall offer as set out in the Offer Document ("Shortfall Offer"). To take up all of your Entitlements and apply for New Shares under the Shortfall Offer you will need to ensure your application money for your full Entitlement and application monies for additional New Shares is received by the Share Registry by no later than 24 July 2019, by completing and returning your Entitlement and Acceptance Form and by filling in the number of New Shares you wish to apply for in the space provided on the Entitlement and Acceptance Form together with your cheque, drawn on an Australian bank or bank draft made payable in Australian currency, for the appropriate application monies (by no later than 5pm (WST)) or by making a payment by BPAY in accordance with the instructions on your Entitlement and Acceptance Form (by no later than 3pm (WST)) (at \$0.093 per New Share).
- You may do nothing. If you choose to do nothing with your Entitlements, while you will continue to hold the same number of Shares, your interest in the Company will be diluted and you will receive no value for your Entitlement.



Indicative Timetable

The indicative timetable for the Rights Issue is as follows:

Event	Proposed Date
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.

If you have any queries concerning the Rights Issue, or the action you are required to take to subscribe for New Shares, please contact your financial adviser, or 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

