

14 October 2022

Talga Group Ltd – Share Purchase Plan

Dear Shareholder,

On behalf of the Board of Talga Group Ltd (ACN 138 405 419) (“**Company**”), I am pleased to offer you the opportunity to subscribe for fully paid ordinary shares in the Company (“**Shares**”) under a Share Purchase Plan (“**SPP**”).

The Company is offering eligible shareholders the opportunity to apply under the SPP on a 'first-come, first-served' basis for up to a maximum of A\$30,000 worth of Shares at an issue price of A\$1.10 per Share (“**Issue Price**”). Shareholders will be eligible to participate in the SPP if they have a registered address in Australia or New Zealand as at 5.00pm (AWST) on 6 October 2022.

The Company recently conducted an institutional placement which raised A\$22 million, as initially announced to the market on 7 October 2022 (“**Placement**”). As noted in the announcement, funds raised from the Placement and SPP will be used towards advancement of the Vittangi Anode Project, expanded operation of the Electric Vehicle Anode qualification plant, Niska expansion workstreams and resource drilling, next generation anode development (including Talnode[®]-Si commercialisation), and general working capital.

Important Information

The SPP is governed by the terms and conditions in the enclosed Offer Document. The Board urges you to read the Offer Document carefully and in its entirety, together with announcements made by the Company to ASX, before deciding whether to participate in the SPP.

If you are uncertain whether Shares are a suitable investment for you, you should consult your financial or other professional adviser. The Board recommends that you obtain your own financial advice in relation to the SPP and consider price movements of Shares in the Company prior to electing to participate in the SPP.

How to apply

Eligible Shareholders may participate in the SPP by following the instructions on their personalised SPP Application Form which is also accessible at <https://investor.automic.com.au/#/home>. Payment can be made directly via BPAY[®] (for Eligible Shareholders with an eligible Australian bank account). This is the fastest and easiest way to apply.

A New Zealand shareholder that is unable to pay by BPay[®] should contact the Share Registry on 1300 288 664 (within Australia) and +61 2 9698 5414 (outside Australia) at any time from 8.30am to 5.00pm (AWST time) Monday to Friday during the Offer period, for alternative electronic funds transfer payment arrangements.

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As the Company intends to accept valid applications under the SPP on a 'first-come, first served' basis, Eligible Shareholders are encouraged to submit their application as early as possible.

Further details as to the application process are included in the Offer Document, which can be accessed at <https://investor.automic.com.au/#/home>.

Enquiries

If you have any queries in relation to your Application Form or the Offer, please contact the Share Registry on 1300 288 664 (within Australia) and +61 2 9698 5414 (outside Australia) or the Company Secretary on +61 8 9481 6667.

Yours faithfully,



Terry Stinson
Non-Executive Chair
Talga Group Ltd

NOT FOR RELEASE TO U.S WIRE SERVICES OR DISTRIBUTION IN THE UNITED STATES

This Share Purchase Plan Offer Document has been prepared for publication in Australia and may not be released to US wire services or distributed in the United States. This Share Purchase Plan Offer Document does not constitute an offer to buy, Shares in the United States or any other jurisdiction. Any securities described in this Offer Document have not been, and will not be, registered under the US Securities Act of 1933 (the US Securities Act) and may not be offered or sold in the United States except in transactions exempt from, or not subject to, the registration requirements of the US Securities Act and applicable US state securities law.

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Share Purchase Plan Offer Document

Talga Group Ltd

(ACN 138 405 419)

IMPORTANT NOTICES

The offer to purchase Shares under the Offer is not a recommendation to acquire Shares. If you are in any doubt about this Offer, you should consider obtaining professional financial and/or taxation advice to assist you in determining whether or not, and the extent to which, you wish to participate in the Offer (taking into account your own financial situation, needs and objectives). Nothing in this Offer Document, the application form or any other accompanying documentation constitutes investment or financial product advice or is intended to influence your decision whether or not to participate in the Offer. If you apply to participate in the Offer, by making an application, you are accepting the risk that the market price of the Shares may change. This means it is possible that, between the time you make your application and up to or after the Issue Date, you may be able to buy Shares on market at a lower price than the issue price. No cooling-off regime applies in relation to the acquisition of Shares under the Offer.

This Offer Document comprises the terms and conditions of the Talga Group Ltd (ACN 138 405 419) (**Company**) 2022 Share Purchase Plan (**Offer**).

1 Offer

- (a) The Offer is an invitation to apply for fully paid ordinary shares in the Company (**Shares**) up to a maximum subscription of A\$30,000 at an issue price of A\$1.10 per Share (**New Shares**).
- (b) The Offer is made on the same terms and conditions to all Eligible Shareholders (as defined below).
- (c) The Offer is non-renounceable.

2 Eligibility

- (a) You are only eligible to apply for New Shares (**Eligible Shareholder**) if:
 - (i) your registered address in the Company's register of members is in Australia or New Zealand and you are not in the United States or acting for the account or benefit of a person in the United States; and
 - (ii) you were registered as a holder of Shares as at 5.00pm (AWST) on Thursday, 6 October 2022 (**Record Date**).
- (b) Directors and employees of the Company who hold Shares may be Eligible Shareholders.
- (c) Participation in the SPP is optional.
- (d) If you are an Eligible Shareholder, your rights under this Offer are personal to you and are non-renounceable, which means you cannot transfer your rights to another person.

3 Issue Price

- (a) The issue price for each New Share under the Offer is A\$1.10 per Share (**Issue Price**) and representing a 16.2% discount to the volume weighted average price of Shares over the last 10 days on which sales of the Shares were recorded by ASX prior to the date of the announcement of the SPP on Friday, 7 October 2022.
- (b) In accordance with the requirements of ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547 (**ASIC Instrument 2019/547**), the Company notes that:
 - (i) On the last trading day immediately prior to the announcement date of the Offer, the closing price of the Shares traded on the ASX was A\$1.325 per Share. The Issue Price is a 17% discount to that closing price.

- (ii) The market price of Shares in the Company may rise and fall between the date of the Offer and the date that any Shares are issued to you as a result of your application under this Offer.
- (iii) By making an application under this Offer, each Eligible Shareholder will be acknowledging that although the Issue Price is at a discount, Shares are a speculative investment and the price of Shares on ASX may change between the date of the Company announcing the Offer and the date of issue of Shares under the Offer and that the value of the Shares received under the Offer may rise or fall accordingly.
- (iv) The Issue Price is less than the market price of Shares during a 'specified period' in the 30 days before the date of the Offer (such specified period being the 10 days in which trading in Shares occurred before the date of announcement of the Offer, being Friday, 7 October 2022).
- (v) The Board recommends that you obtain your own financial and taxation advice in relation to the Offer and consider price movements of Shares in the Company prior to making an application under this Offer.

4 Number of New Shares

4.1 Application amount

- (a) If you are an Eligible Shareholder, you can apply for up to a maximum of A\$30,000 worth of New Shares. Eligible Shareholders can select one of the following alternatives:

| Offer | Value | Number of New Shares |
|-------|-----------|----------------------|
| A | A\$1,000 | 909 |
| B | A\$2,000 | 1,818 |
| C | A\$5,000 | 4,545 |
| D | A\$10,000 | 9,091 |
| E | A\$15,000 | 13,636 |
| F | A\$20,000 | 18,182 |
| G | A\$30,000 | 27,273 |

No fractions of New Shares will be issued.

- (b) Where the Issue Price, divided by the application amount results in a fractional entitlement, the number of New Shares will be rounded to the nearest whole number.
- (c) Subject to section 4.1(a), Eligible Shareholders who receive more than one offer under the Offer (for example, because they hold Shares in more than one capacity) may apply via different applications for Shares but may not apply for Shares with an aggregate dollar amount of more than A\$30,000.

4.2 A\$30,000 maximum

- (a) In order to comply with ASIC Instrument 2019/547, the maximum value of New Shares each Eligible Shareholder (irrespective of the size of their shareholding) may apply for under this Offer is A\$30,000 (including through joint holding(s), multiple share accounts or any holding in which they have a beneficial interest/s). This limit will apply even if you receive more than one offer from the Company (for example, because you are a joint holder of shares or because you hold more than one shareholding under separate share accounts).

- (b) If the Company receives an amount that does not equal one of the amounts specified above in section 4.1 or a subscription of over A\$30,000 worth of New Shares by a shareholder through multiple applications or joint holdings, the Company may either:
- (i) reject the application and refund in full the application money (without interest) to the Eligible Shareholder; or
 - (ii) apply the dollar amount of the payment to the highest designated parcel that is less than the amount of the payment and refund the excess application money (without interest) to the Eligible Shareholder.

4.3 Maximum number of New Shares to be issued

- (a) **Maximum amount:** The Company reserves the right to determine the amount it raises through the SPP. At this stage, the Company aims to raise gross proceeds of up to (and the SPP is capped at) A\$10 million (before costs).
- (b) **Scale back:** To manage the 'cap' in section 4.3(a) and to comply with the terms of ASIC Instrument 2019/547, it may be necessary to scale back an Eligible Shareholder's application, particularly if A\$10 million of New Shares are applied for under the SPP. At this stage, the Company intends to apply the scale back by giving priority to applications received on a 'first-come, first-served' basis, however the final decision on how any scale back is conducted will be in the Board's sole discretion, and the Board may take into account a number of factors such as the size of an applicant's shareholding at the Record Date, the extent to which the applicant has sold or purchased shares since the Record Date, whether the applicant has multiple registered holdings and the date on which the application was made. This means that the Company may reject applications which are received after the Company has received valid applications from Eligible Shareholders which together amount to applications for a total of A\$10 million worth of New Shares. Accordingly, Eligible Shareholders are encouraged to submit their application under the SPP as soon as is possible.
- (c) **Return of excess application monies:** As the Offer is made on a 'first-come, first-served' basis, the Company may receive applications for New Shares after the maximum amount to be raised under the SPP in accordance with section 4.3(a) is reached. In the event you submit an application for New Shares when the maximum amount to be raised under the SPP has been reached and the Company is required to scale back your application, you will receive less New Shares than you applied for. However the Company will refund to you by direct credit deposit to your nominated bank account or by cheque the difference between any application monies received and the total Offer price for the New Shares issued to you, as soon as practicable following the issue of the New Shares and without interest.

4.4 Company's discretion

- (a) The Company will deal with applications on a 'first-come, first-served' basis. The Company may accept or reject your application (including in the case of oversubscriptions) for New Shares at its discretion. The Company may reject your application in the following circumstances (amongst others):
 - (i) your application is incorrectly completed, incomplete or otherwise determined by the Company to be invalid;
 - (ii) you have applied for New Shares with a total application price of less than A\$1,000;
 - (iii) your payment is incomplete or invalid;
 - (iv) unless you are a custodian, it appears that you are applying to acquire New Shares with an aggregate application price in excess of A\$30,000 under the Offer;

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- (v) you are a custodian and you have not provided the required Custodian Certificate;
 - (vi) your application is received after the maximum amount to be raised under the SPP has been reached (see section 4.3(a));
 - (vii) your application or payment is received after the Offer Closing Date (see section 12(a)). Late payments will be refunded, without interest, as soon as practicable following the issue of New Shares; or
 - (viii) the Company believes you are not an Eligible Shareholder (subject to compliance with any applicable ASIC requirements).

5 Participation Costs

You must pay the Issue Price per New Share and any fees or charges incurred by you in making an application under the Offer, for example, bank fees or fees of professional advisors. No commission is payable by the Company on the issue of the New Shares and no brokerage or other transaction costs apply.

6 Rights Attaching

- (a) The rights and obligations of the New Shares are contained in the Constitution (which is available for inspection at the registered office of the Company during the period of the Offer).
- (b) The New Shares will be issued on the same terms as all other ordinary shares in the Company and will rank equally in all respects with existing ordinary shares in the Company quoted on the ASX, with the same voting rights, dividend rights and other entitlements.
- (c) The Company will apply for the New Shares to be quoted on ASX. If the New Shares are not quoted on ASX, the New Shares will not be issued and funds will be refunded.

7 Allotment of New Shares

Subject to these terms and conditions, the New Shares will be allotted as soon as possible after the Offer Closing Date. The Company will send or cause to be sent to you a holding statement in due course.

8 Payment for New Shares

- (a) All amounts in this Offer are expressed in Australian dollars.
- (b) If you are:
 - (i) an Australian shareholder, you must pay for the New Shares by BPay® following the instructions on the Application Form. You must use the unique identifier number found on your Application Form as the customer reference number when making payment (*if you pay by BPAY® you are not required to lodge a hard copy application form*); or
 - (ii) a New Zealand shareholder that is unable to pay by BPay®, please contact the Share Registry on 1300 288 664 (within Australia) and +61 2 9698 5414 (outside Australia) at any time from 8.30am to 5.00pm (AWST time) Monday to Friday during the Offer period, for alternative electronic funds transfer payment arrangements for the number of New Shares you wish to apply for.
- (c) If you do not provide the exact amount of application monies, the Company reserves the right to issue you a lesser number of New Shares and (if necessary) return a portion of your funds. No interest will be paid on money returned.

9 Risks

- (a) New Shares are a speculative investment and the market price may change between the dates you apply for New Shares and the issue of New Shares to you. Accordingly, the value of New Shares applied for may rise or fall.
- (b) This Offer is not a prospectus and does not require the types of disclosures required under the Corporations Act. You must rely on your own knowledge of the Company, previous disclosures made by the Company to ASX, and, if necessary, consult your professional advisor when deciding whether or not to participate in the Offer.
- (c) The terms and conditions of the Offer should be read in conjunction with the Company's continuous and periodic disclosures given to ASX, which are available on ASX's website at www.asx.com.au (under the Company's code "TLG") and the Company's website at <https://www.talgagroup.com>. In particular, the Company refers you to the risk factors set out in Appendix B of the Company's Investor Presentation released to the ASX on Friday, 7 October 2022.

10 Privacy

By receiving completed applications under the Offer, the Company collects personal information about shareholders. The Company will use this information for the purposes of processing the applications and updating the records of the Company. Unless required by the law, the Company will not disclose the personal information for another purpose without the consent of the shareholder. Except as stated by the law, shareholders are able to access, upon request, their personal information held by the Company.

A copy of the Company's Privacy Policy is available at: <https://www.talgagroup.com/privacy-policy-2/>. For further information about how we manage your personal information please contact us.

11 Use of Funds

- (a) The Board presently intends that the funds raised from the Offer will be applied towards additional working capital and to support the future development of the Vittangi and Niska projects located in northern Sweden.
- (b) As with any intended budget or use of funds, this is a statement of current intentions as at the date of this Offer. Intervening events and new circumstances have the potential to affect the manner in which the funds are ultimately applied. The Board reserves the right to alter the way the funds are applied on this basis.
- (c) For further information on how the Company intends to apply funds raised from the recent Placement and the SPP, refer to the Company's Investor Presentation released to the ASX on Friday, 7 October 2022.

12 Important Dates

- (a) Subject to sections 12(b) and 12(d) below, the important dates in relation to this Offer are as follows:

| Event | Date (and time if relevant) |
|---|---|
| Record Date | 5.00pm (AWST) on Thursday, 6 October 2022 |
| Announcement of SPP | Friday, 7 October 2022 |
| Lodge cleansing notice with ASX | Friday, 14 October 2022 |
| Offer Document and Application Form made available to Eligible Shareholders | Friday, 14 October 2022 |
| Offer Opening Date | Friday, 14 October 2022 |
| Offer Closing Date | 5.00pm (AWST) on Friday, 28 October 2022 If the Company does not receive an application or payment before the Offer Closing Date, the Company reserves the right to return any payment and not issue any New Shares to the shareholder. |
| Offer Results Announcement | Tuesday, 1 November 2022 The number of New Shares to be issued and, if applicable, any scale-back will be announced to the ASX by this date. |
| Settlement of New Shares issued under the SPP | Thursday, 3 November 2022 |
| Issue Date | Friday, 4 November 2022 The Company proposes to issue the New Shares on this date. |
| Dispatch of Offer holding statements | Monday, 7 November 2022 The date on which transaction confirmations are sent to Eligible Shareholders and, if applicable, a direct credit deposit to your nominated account is made or refund cheque is dispatched, is expected to be no later than this date. |
| Normal trading of New Shares issued under the SPP | Tuesday, 8 November 2022 |

- (b) These above dates are indicative only. The Company may vary any of the dates in section 12(a) and times of the Offer at its discretion (even if the Offer has opened, or applications or payments have been received) by lodging a revised timetable with ASX.
- (c) As the Offer is on a 'first-come, first-served' basis, the Closing Date may be earlier than specified, particularly if applications have been received for the maximum number of New Shares able to be issued under the ASX Listing Rules.
- (d) New Shares issued under the Offer will be issued as soon as practicable after the Offer Closing Date. Application for quotation on ASX of the New Shares will be made immediately following the issue of those Shares.

13 Joint Holders

If you are a joint holder of existing Shares, you are taken to be a single registered holder of existing Shares for the purposes of determining whether you are an Eligible Shareholder and joint holders are entitled to participate in the Offer in respect of that single holding only. If as joint holders, you receive more than one offer under the Offer due to multiple identical holdings, you may still only contribute a maximum of A\$30,000 in applying for New Shares.

14 Custodians

- (a) Eligible Shareholders who hold Shares as a "custodian" (as defined in ASIC Instrument 2019/547) (**Custodian**) may participate in the Offer on behalf of one or more persons whom the Custodian holds Shares on behalf of (**Custodian Beneficiaries**). If a Custodian applies for New Shares on behalf of a Custodian Beneficiary, the Company may not issue New Shares to the Custodian under the Offer with a total application price exceeding A\$30,000 in any 12 month period unless, the Custodian provides the Company with a notice in writing certifying the following matters required by ASIC Instrument 2019/547 section 8(3) (**Custodian Certificate**):
- (i) either or both of the following:
 - (A) that the Custodian holds the Shares on behalf of one or more persons that are not custodians (**Participating Beneficiaries**); or
 - (B) that another custodian (**Downstream Custodian**) holds beneficial interests in Shares on behalf of a Participating Beneficiary, and the Custodian holds the Shares to which those beneficial interests relate on behalf of the Downstream Custodian or another Custodian,
on the Record Date and that each Participating Beneficiary has subsequently instructed the following persons:
 - (C) where sub-paragraph 14(a)(i)(A) applies – the Custodian; and
 - (D) where sub-paragraph 14(a)(i)(B) applies – the Downstream Custodian, to apply for New Shares under the Offer on their behalf;
 - (ii) the number of Participating Beneficiaries;
 - (iii) the name and address of each Participating Beneficiary, and that each Participating Beneficiary's address is located in Australia or New Zealand;
 - (iv) that each Custodian Beneficiary is not in the United States and it is not acting for the account or benefit of a person in the United States, and that the Custodian has not sent any materials relating to the Offer to any person in the United States;
 - (v) in respect of each Participating Beneficiary:
 - (A) where sub-paragraph 14(a)(i)(A) applies – the number of Shares that the Custodian holds on their behalf; and
 - (B) where sub-paragraph 14(a)(i)(B) applies – the number of Shares to which the beneficial interests relate;
 - (vi) in respect of each Participating Beneficiary:
 - (A) where sub-paragraph 14(a)(i)(A) applies – the number or the dollar amount of New Shares they instructed the Custodian to apply for on their behalf; and
 - (B) where sub-paragraph 14(a)(i)(B) applies – the number or the dollar amount of New Shares they instructed the Downstream Custodian to apply for on their behalf;

- (vii) there are no Participating Beneficiaries in respect of which the total of the application price for the following exceeds A\$30,000:
 - (A) the New Shares applied for by the Custodian under the Offer in accordance with the instructions referred to in sub-paragraph 14(a)(vi); and
 - (B) any other Shares issued to the Custodian in the 12 months before the application as a result of an instruction given by them to the Custodian or the Downstream Custodian to apply for Shares on their behalf under an arrangement similar to the Offer;
 - (viii) that a copy of this Offer Document was given to each Participating Beneficiary; and
 - (ix) where sub-paragraph 14(a)(i)(B) applies – the name and address of each Custodian who holds beneficial interests in the Shares held by the Custodian in relation to each Participating Beneficiary.
- (b) For the purposes of ASIC Instrument 2019/547, you are a ‘Custodian’ if you provide a custodial or depository service in relation to shares of a body or interests in a registered scheme and who:
- (i) holds an Australian financial services licence covering the provision of a custodial or depository service;
 - (ii) is exempt from the requirement to hold an Australian financial services licence covering the provision of a custodial or depository service;
 - (iii) holds an Australian financial services licence covering the operation of an IDPS or is a responsible entity of an IDPS-like scheme;
 - (iv) is a trustee of a self-managed superannuation fund or a superannuation master trust; or
 - (v) is a registered holder of shares or interests in the class and is noted on the register of members of the body or scheme as holding the shares or interests on account of another person.
- (c) If you hold Shares as a trustee or nominee for another person or persons but are not a Custodian as defined above, you cannot participate for beneficiaries in the manner described above. In this case, the rules for multiple single holdings (see paragraph 4.2 above) apply.
- (d) Custodians should request a Custodian Certificate when making an application on behalf of Participating Beneficiaries. To request a Custodian Certificate and if you would like further information on how to apply, you should contact the Company’s Share Registry on 1300 288 664 (within Australia) and +61 2 9698 5414 (outside Australia) at any time from 8.30am to 5.00pm (AWST time) Monday to Friday during the Offer period.
- (e) The Company reserves the right to reject any application for Shares to the extent it considers that the application (whether alone or in conjunction with other applications) does not comply with these requirements. The Company reserves the right to reject applications in accordance with these terms and conditions.

15 Foreign Offering Restrictions

15.1 Distribution

This document does not constitute an offer of Shares in any jurisdiction in which it would be unlawful, and has been prepared for distribution in Australia and New Zealand only and may not be released or distributed elsewhere.

In particular, this document does not constitute an offer to sell, or a solicitation of an offer to buy, any Shares in the United States. The Shares have not been, and will not be, registered under the *US Securities Act of 1933* (the **US Securities Act**) or the securities laws of any state or other jurisdiction of the United States. Accordingly, the Shares may not be offered or sold, directly or indirectly, to any person in the United States, except in transactions exempt from, or not subject to, registration under the US Securities Act and applicable United States state securities laws. Persons in the United States may not, directly or indirectly, participate in the SPP.

15.2 New Zealand

The New Shares are not being offered or sold to the public within New Zealand other than to existing shareholders of the Company with registered addresses in New Zealand to whom the Offer of New Shares is being made in reliance on the *Financial Markets Conduct Act 2013* and the *Financial Markets Conduct (Incidental Offers) Exemption Notice 2021*.

This Offer Document has not been registered, filed with or approved by any New Zealand regulatory authority. This Offer Document is not a product disclosure statement under New Zealand law and is not required to, and may not, contain all the information that a product disclosure statement under New Zealand law is required to contain.

15.3 Custodians

The Company is not required to determine, and will not determine, the identity or residence of any beneficial owners of Shares. Each Custodian will need to determine for itself whether its beneficiaries are eligible to participate in the Offer.

16 No Financial Advice

This document does not provide financial advice and has been prepared without taking account of any person's investment objectives, financial situation or particular needs. You should consider the appropriateness of participating in the Offer having regard to your investment objectives, financial situation or particular needs. Shareholders should seek independent financial and taxation advice before making any investment decision in relation to these matters.

17 Acknowledgement

- (a) By making an application under the Offer, you:
- (i) have read the terms and conditions of the Offer, irrevocably and unconditionally agree to the terms and conditions of the Offer and the terms and conditions of the Application Form and agree not to do any act or thing that would be contrary to the spirit, intention or purpose of the Offer;
 - (ii) warrant that all details and statements in your application are true and complete and not misleading;
 - (iii) agree that your application will be irrevocable and unconditional (that is, it cannot be withdrawn even if the market price of the Shares is less than the Issue Price);
 - (iv) warrant that you are an Eligible Shareholder and are eligible to participate in the Offer;
 - (v) declare that you are over 18 years of age and have full legal capacity and power to perform all of your rights and obligations under the application;

- (vi) accept the risk associated with any refund that may be dispatched to your address or to your nominated bank account;
- (vii) acknowledge that no interest will be paid on any application monies held pending the issue of Shares under the Offer or subsequently refunded to you for any reason;
- (viii) acknowledge that the Company and its officers and agents, are not liable for any consequences of the exercise or non-exercise of its discretions referred to in these terms and conditions;
- (ix) if you are applying on your own behalf (and not as a Custodian), acknowledge and agree that:
- (A) you are not applying for Shares with an application price of more than A\$30,000 under the Offer (including by instructing a Custodian to acquire Shares on your behalf under the Offer); and
 - (B) the total of the application price for the following does not exceed A\$30,000:
 - (1) the Shares the subject of the application;
 - (2) any other Shares issued to you under the Offer or any similar arrangement in the 12 months before the application (excluding Shares applied for but not issued);
 - (3) any other Shares which you have instructed a Custodian to acquire on your behalf under the Offer; and
 - (4) any other Shares issued to a Custodian in the 12 months before the application as a result of an instruction given by you to the Custodian to apply for Shares on your behalf under an arrangement similar to the Offer;
- (x) if you are a Custodian and are applying on behalf of a Participating Beneficiary on whose behalf you hold Shares, acknowledge and agree that:
- (A) you are a Custodian;
 - (B) you hold Shares (directly or indirectly) on behalf of one or more Participating Beneficiaries;
 - (C) you held Shares on behalf of the Participating Beneficiary as at the Record Date who has instructed you to apply for Shares on their behalf under the Offer;
 - (D) each Participating Beneficiary on whose behalf you are applying for Shares has been given a copy of this Offer Document;
 - (E) the application price for the Shares applied for on behalf of the Participating Beneficiary, and any other Shares applied for on their behalf under a similar arrangement in the previous 12 months (excluding Shares applied for but not issued), does not exceed A\$30,000; and
 - (F) the information in the Custodian Certificate submitted with your application is true, correct and not misleading;
- (xi) agree to be bound by the constitution of the Company (as amended from time to time);
- (xii) acknowledge that none of the Company, its advisers or agents, has provided you with any financial product or investment advice or taxation advice in relation to the Offer, or has any obligation to provide such advice;

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- (xiii) acknowledge that the information contained in this Offer Document and your application is not investment advice nor a recommendation that New Shares are suitable for you given your investment objectives, financial situation or particular needs;
 - (xiv) acknowledge that this Offer Document is not a prospectus, does not contain all of the information that you may require in order to assess an investment in the Company and is given in the context of the Company's past and ongoing continuous disclosure announcements to ASX;
 - (xv) acknowledge that none of the Company or its respective related bodies corporate and affiliates and their respective directors, officers, partners, employees, representatives, agents, consultants or advisers guarantees the performance of the Company, nor do they guarantee the repayment of capital;
 - (xvi) acknowledge that the Company is not liable for any exercise of its discretions referred to in this Offer Document;
 - (xvii) authorise the Company, and its officers and agents, to correct minor or easily rectified errors in, or omissions from, your application and to complete the Application Form by the insertion of any missing minor detail;
 - (xviii) represent that you are not in the United States nor subscribing for Shares for the account or benefit of a person in the United States;
 - (xix) acknowledge that the Shares have not been, and will not be, registered under the US Securities Act or the securities laws of any state or other jurisdiction of the United States and, accordingly, the Shares may not be offered or sold in the United States except in transactions exempt from, or not subject to, the registration requirements of the US Securities Act and any other applicable securities laws;
 - (xx) acknowledge that the Shares will only be offered and sold outside the United States in "offshore transactions" (as defined in and in reliance on Regulation S under the US Securities Act);
 - (xxi) if in the future you decide to sell or otherwise transfer the Shares, you will do so in a regular way on ASX where neither you nor any person acting on your behalf know, or have reason to know, that the sale has been pre-arranged with, or that the purchaser is, a person in the United States; and
 - (xxii) have not distributed this document or any other documents relating to the Offer to, any person in the United States or elsewhere outside Australia and New Zealand. Failure to comply with these restrictions may result in violations of applicable securities laws.
- (b) Failure to comply with these restrictions may result in violations of applicable securities laws.

18 Additional Provisions

18.1 Waiver, Amendment, Suspension and Withdrawal

The Company may, at its discretion, waive compliance with any provision of this Offer Document, amend or vary this Offer Document, or suspend or withdraw the Offer at any time. Any such waiver, amendment, variation, suspension or withdrawal will be binding on all Eligible Shareholders even where the Company does not notify you of the event. Any material amendments to the terms of the Offer will be announced to the ASX.

18.2 Termination

The Company may terminate or otherwise withdraw the Offer at any time. Any termination or withdrawal will be announced to the ASX, and any application monies received will be refunded without interest.

18.3 Company Determination Final

The Company may act or omit to act in relation to the Offer (including applying the terms of the Offer) in its absolute discretion. The Company may settle any difficulty, question of fact, anomaly, dispute or interpretation in relation to the Offer in any matter it thinks fit, whether generally or in relation to any participant, application or Share. The Company's decision will be conclusive and binding. The Company reserves the right to waive strict compliance with the terms of the Offer. The Board or any delegate may exercise the powers of the Company under the terms of the Offer.

18.4 No Underwriting

The Offer will not be underwritten.

18.5 Governing Law

This Offer Document is governed by the laws in force in Western Australia.

19 Privacy policy

- (a) Chapter 2C of the Corporations Act requires information about you as a shareholder (including your name, address and details of the shares you hold) to be included in the public register of the entity in which you hold shares. This information must continue to be included in the public register if you cease to be a shareholder. The *Privacy Amendment (Private Sector) Act 2000* (Cth) does not alter these statutory obligations.
- (b) The Company and the Company's Share Registry, Automatic Share Registry, may collect personal information to process your application and implement the Offer, and to administer your shareholding.
- (c) The personal information contained in the register of members of the Company is also used to facilitate payments and corporate communications (including financial results, annual reports and other information to be communicated to shareholders) and to ensure compliance with legal and regulatory requirements, including Australian taxation laws and the Corporations Act.
- (d) The personal information we collect may include your name, address, other contact details, bank account details and details of your Company shareholding.
- (e) Company shareholders who are individuals and the other individuals in respect of whom personal information is collected, as outlined above, have certain rights to access, correct or update the personal information held about them, subject to some exceptions allowed by law. Such individuals should contact the Share Registry on 1300 288 664 (within Australia) and +61 2 9698 5414 (outside Australia) in the first instance if they wish to request access to that personal information. Reasons will be given if access is denied.
- (f) Your personal information may be disclosed to joint investors, registry, to securities brokers, to third party service providers (including print and mail service providers, technology providers, and professional advisors), to related entities of the Company and each of their agents and contractors, and to ASX and other regulatory authorities, and in any case, where disclosure is required or allowed by law (which may include disclosures to the Australian Taxation Office and other government or regulatory bodies or where you have consented to the disclosure). In some cases, the types of organisations referred to above to whom we will disclose your personal information may be located overseas.

- For personal use only
- (g) The main consequence of not providing the personal information outlined in sections 19(a) to 19(d) above would be that the Company may be hindered in, or prevented from, processing your application, and from conducting and implementing the Offer.
 - (h) Company's Share Registry's privacy policy is available on their website: www.automicgroup.com.au/privacy-policy.

20 Other terms and conditions

Shareholders will be bound by the Constitution of the Company and this Offer Document by accepting the offer to acquire New Shares under the Offer.

Glossary

ASIC means the Australian Securities and Investments Commission.

ASIC Instrument 2019/547 means ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547.

ASX Listing Rules means the listing rules of ASX.

ASX means ASX Limited (ACN 008 624 691) or the market operated by it, as the context requires.

Company means Talga Group Ltd (ACN 138 405 419).

Constitution means the Constitution of the Company.

Corporations Act means the *Corporations Act 2001* (Cth).

Custodian Beneficiaries has the meaning given in clause 14(a) of this Offer Document.

Custodian Certificate has the meaning given in clause 14(a) of this Offer Document.

Custodian means a custodian, trustee or nominee within the definition of 'custodian' in ASIC Instrument 2019/547.

Downstream Custodian has the meaning given in clause 14(a) of this Offer Document.

Eligible Shareholder has the meaning given in clause 2(a) of this Offer Document.

Issue Date means Friday, 4 November 2022.

Issue Price means \$1.10 per Share.

New Shares has the meaning given in clause 1(a) of this Offer Document.

Offer means this SPP.

Offer Closing Date means 5.00pm (AWST) on Friday, 28 October 2022 (or such other date as the Company determines).

Offer Document means this booklet.

Offer Opening Date means Friday, 14 October 2022.

Participating Beneficiaries has the meaning given in clause 14(a) of this Offer Document.

Record Date means 5.00pm (AWST) on Thursday, 6 October 2022.

Share means a fully paid ordinary share in the Company.

Share Purchase Plan or **SPP** means this Share Purchase Plan being offered to Eligible Shareholders under this Offer Document.

Share Registry means Automic Pty Ltd (ACN 152 260 814).

Shareholder means a holder of a Share.

US Securities Act means the *United States Securities Act of 1933*, as amended.

Corporate Directory

Talga Group Ltd

(ACN 138 405 419)

Suite 3.03, Level 3, 46 Colin Street

West Perth, WA 6005

Telephone: (08) 9481 6667

Email: info@talgagroup.com

Website: www.talgagroup.com

Legal Adviser

Allens

Level 11, Mia Yellagonga Tower 2

5 Spring Street

Perth, WA 6000

Share Registry

Automic Registry Services

GPO Box 5193

Sydney, NSW 2001

Telephone (inside Australia): 1300 288 664

Telephone (outside Australia): +61 2 9698 5414

For personal use only

[EntityRegistrationDetailsLine1Envelope]
 [EntityRegistrationDetailsLine2Envelope]
 [EntityRegistrationDetailsLine3Envelope]
 [EntityRegistrationDetailsLine4Envelope]
 [EntityRegistrationDetailsLine5Envelope]
 [EntityRegistrationDetailsLine6Envelope]

SRN/HIN: [HolderNumberMasked]

ASX Code: TLG

Record Date: 5:00pm (AWST) on 6 October 2022

SHARE PURCHASE PLAN APPLICATION FORM

IMPORTANT: OFFER CLOSSES 5:00PM (AWST) ON 28 OCTOBER 2022 (UNLESS VARIED)

1: SUBSCRIPTION

This Offer entitles each Eligible Shareholder in Talga Group Ltd (the **Company**) to subscribe through the Company's Share Purchase Plan (**SPP**) for a maximum of \$30,000 worth of fully paid ordinary shares in the Company (**New Shares**) (subject to any discretionary scale back or oversubscriptions). The Company announced the SPP to raise up to a total of A\$10 million. The SPP is open to all shareholders recorded as holding fully paid ordinary shares (**Shares**) on the Company's Register as at the Record Date with a registered address in Australia or New Zealand. The issue price of the New Shares is A\$1.10 (**Price**). Eligible Shareholders may subscribe for any one of the following parcels (*subject to a maximum band or any scale back*) described below by paying the applicable Subscription Amount in accordance with the payment instructions in section 2 of this Application Form:

| | Application Amount | Number of New Shares |
|---------|--------------------|----------------------|
| Offer A | \$1,000 (minimum) | 909 |
| Offer B | \$2,000 | 1,818 |
| Offer C | \$5,000 | 4,545 |
| Offer D | \$10,000 | 9,091 |
| Offer E | \$15,000 | 13,636 |
| Offer F | \$20,000 | 18,182 |
| Offer G | \$30,000 (maximum) | 27,273 |

No fractions of Shares will be issued. Any fraction of a Share will be rounded to the nearest whole number of Shares (where applicable).

2: PAYMENT - You can pay by BPAY®

BPAY®



Biller Code: TBC

Ref No: [BPayCRN]

Contact your financial institution to make your payment from your cheque or savings account.

Note: You do not need to return this form if you have made payment via BPAY®. Your BPAY® reference number will process your payment for your application for New Shares electronically.

3: Elect to receive email communication

Return to Automic Group by email to corporate.actions@automicgroup.com.au

Telephone Number

()

Contact Name (PLEASE PRINT)

TLG-[HolderId]

Please insert your email address if you wish to elect to be an e-Shareholder, and you consent to receiving communications from the Share Registry

INSTRUCTIONS FOR COMPLETION OF THIS FORM

The right to participate in the SPP is optional and is offered exclusively to all Shareholders (including Custodians) who are registered as holders of fully paid ordinary shares in the capital of the Company on the Record Date with a registered address in Australia or New Zealand (**Eligible Shareholders**).

If the Company rejects or scales-back an application or purported applications, the Company will return to the Shareholder the relevant Application Monies, without interest.

HOW TO APPLY FOR SHARES UNDER THE SPP

1 Subscription

As an Eligible Shareholder, you can apply for up to a maximum of \$30,000 worth of Shares. Eligible Shareholders can select one of the parcels prescribed overleaf.

In order to comply with ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547, the maximum value of Shares each Eligible Shareholder (irrespective of the size of their shareholding) may apply for under this Offer is \$30,000 (including through joint holding(s), multiple share accounts or any holding in which they have a beneficial interest(s)). This limit will apply even if you receive more than one offer from the Company (for example, because you are a joint holder of Shares or because you hold more than one shareholding under separate share accounts).

If the Company receives an amount that does not equal one of the amounts specified overleaf the Company may accept the payment at their discretion and refund any excess Application Money (without interest) to the Eligible Shareholder. If the Company receives a subscription of over \$30,000 worth of Shares by an Eligible Shareholder through multiple applications or joint holdings, the Company may refund any excess Application Money (without interest) to the Eligible Shareholder.

Any application made under the SPP Offer is not guaranteed to result in the Eligible Shareholder receiving any Shares that have been applied for. Applications may be scaled back at the absolute discretion of the Company.

2 Payment

By making a payment via BPAY, you agree that it is your responsibility to ensure that funds are submitted correctly and received by Automic Share Registry by the closing date and time. Payment must be received by the Share Registry by 5:00pm (AWST) on 28 October 2022.

It is your responsibility to ensure your CRN or unique Payment Reference is quoted, as per the instructions in Section 2. If you fail to quote your CRN or unique Payment Reference correctly, Automic may be unable to allocate or refund your payment. If you need assistance, please contact Automic.

Payment by BPAY®: You can make a payment via BPAY® if you are the holder of an account with an Australian financial institution that supports BPAY® transactions. To BPAY® this payment via internet or telephone banking use your reference number on this Form. Multiple acceptances must be paid separately.

If you are a New Zealand shareholder that is unable to pay by BPAY®, please contact the Share Registry during the Offer period for alternative electronic funds transfer payment arrangements for the number of New Shares you wish to apply for.

If you make a payment by BPAY® or EFT and the Company receives an amount which is not equal to either \$1,000, \$2,000, \$5,000, \$10,000, \$15,000, \$20,000 or \$30,000 the Company may accept the payment at their discretion. Your payment must be for a minimum of \$1,000.

Applicants should be aware of Automic's financial institution's cut off-time, their own financial institution's cut-off time and associated fees with processing a funds transfer. It is the Applicant's responsibility to ensure funds are submitted correctly by the closing date and time, including taking into account any delay that may occur as a result of payments being made after 5pm (AEST) and/or on a day that is not a business day (payment must be made to be processed overnight). You do not need to return this Form if you have made payment via BPAY® or EFT. Your reference number will process your payment to your application electronically and you will be deemed to have applied for such shares for which you have paid.

3 Contact Details - Elect to receive email communication

As a valued shareholder in Talga Group Ltd, the Company encourages shareholders to elect to receive their shareholder communications electronically. This will ensure you receive all future important shareholder communications in a faster and more secure way and reduce the environmental footprint of printing and mailing.

IMPORTANT INFORMATION

1. This is an important document which requires your immediate attention. If you are in any doubt as to how to deal with this Application Form, please consult a professional adviser.
2. If you do not wish to purchase Shares under the SPP, there is no need to take action.
3. Please ensure you have read and understood the terms and conditions of the SPP in the Offer Booklet accompanying this Application Form and this section entitled "Important Information" before making payment by BPAY® or EFT.
4. The offer for Shares under the SPP is non-renounceable. Applications can only be accepted in the name printed on the Application Form.
5. If you are a custodian, trustee or nominee within the meaning of "Custodian" as defined in ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547, you must complete and submit an additional certificate that contains further certifications and details (**Custodian Certificate**) that must be provided before your application will be received. The Custodian Certificate can be obtained by contacting the Share Registry on the telephone number set out below. Applications received by Custodians that are not accompanied by the Custodian Certificate will be rejected. A completed Custodian Certificate must be emailed to: custodialcertificates@automicgroup.com.au, failure to do so will result in the Application being rejected.
6. For applicants that are not required to complete the Custodian Certificate, by making payment by BPAY® or EFT, you certify that the aggregate of the payment paid by you for:
 - the parcel of Shares indicated on this Application Form or BPAY® or EFT; and
 - any other Shares applied for by you, or which you have instructed a custodian to acquire on your behalf under the SPP or any other similar arrangement in the 12 months prior to making payment by BPAY® or EFT does not exceed A\$30,000.
7. The maximum subscription limitation of A\$30,000 will apply even if you have received more than one Application Form (whether in respect of a joint holding or because you have more than one holding under separate security accounts).
8. You are not guaranteed to receive any Shares that you have applied for and the Company may, in its absolute and sole discretion:
 - a. scale back any applications made; and
 - b. reject your application, without limit.
9. By making payment of application monies, you certify that:
 - you wish to apply for Shares under the SPP as indicated on this Application Form and acknowledge that your application is irrevocable and unconditional;
 - you received a copy of the Offer Booklet and you have read and understood the terms and conditions of the SPP;
 - you agree to be bound by the Constitution of the Company and the terms and conditions in the Offer Booklet;
 - you agree to accept any lesser number of Shares than the number of shares applied for; and
 - you are not in the United States and are not acting for the account or benefit of a person in the United States and have not sent any offering materials relating to the SPP offer to any person in the United States.

If you require further information about the Offer, please contact Automic on 1300 288 664 or +61 2 9698 5414 between 8:30am and 5:00pm (AWST).