

Tamboran Resources Corporation (ASX: TBN)

## **Tamboran announces launch of equity raise supported by a US\$10 million strategic placement from Liberty Energy**

### **Highlights**

- **Tamboran Resources (the Company or Tamboran) announces launch of a non-underwritten institutional placement (Placement) to raise approximately A\$28 million (US\$18 million)<sup>1</sup> and a non-underwritten 1 for 6.2 pro rata accelerated non-renounceable entitlement offer (Entitlement Offer) (together, the Equity Raise).**
- **The Placement and the institutional component of the Entitlement Offer (together, the Institutional Offer) is being made to new and existing institutional investors, and includes a A\$15 million (US\$10 million) investment by Liberty Energy (Liberty).**
- **Tamboran's largest securityholder, Mr. Bryan Sheffield, has committed to participate in the Entitlement Offer for his full pro rata entitlement of A\$8 million (US\$5 million).**
- **The Equity Raise is being conducted at A\$0.16 per New Chess Depositary Interest (New CDI) (Issue Price), equivalent to a 15.8% discount to the last closing price of A\$0.19 per CDI on Wednesday, 13 December 2023, and a 4.9% premium to the 10-day VWAP of A\$0.153 per CDI.**
- **The funds from the Equity Raise will support the Company's Beetaloo Basin activities to the sanctioning of its proposed 40 million cubic feet per day (MMcf/d) Shenandoah South Pilot Project, which is planned for H1 2024. This includes the purchase of long lead items to maintain project timeline and Front-End Engineering and Design (FEED) activities.**

**Tamboran Resources Corporation (ASX: TBN) Managing Director and CEO, Joel Riddle, said:**

"The capital raise takes us another step closer to the sanctioning of our proposed 40 MMcf/d Pilot Project in the Shenandoah South region.

"I believe this is a key inflection point towards the commercialisation of the Beetaloo, which has the potential to provide Territorians and Australians on the East Coast with energy security for decades to come.

<sup>1</sup> *Subject to being upsized at the Company's discretion.*

### **Tamboran Resources Corporation**

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“Investment in gas is expected to be required to meet our energy transition targets and investment in natural gas with low reservoir CO<sub>2</sub>, such as the Beetaloo Basin, should be developed ahead of those with higher reservoir CO<sub>2</sub> content. This could support lower development costs as less cost is associated with injecting CO<sub>2</sub> via carbon capture and storage or purchasing offsets.

“We are excited to be joined by Liberty, a leading oilfield services company in the United States with sophisticated and high-quality hydraulic fracturing, engineering and wireline services. This partnership, which follows that of Helmerich & Payne in 2022, delivers on our mission to bring US shale expertise into the Beetaloo Basin.”

### Use of proceeds

The funds from the Equity Raise will support the Company’s Beetaloo Basin activities to the sanctioning of its proposed 40 MMcf/d Shenandoah South Pilot Project, which is planned for H1 2024. This includes the purchase of long lead items to maintain project timeline and FEED activities.

Tamboran will require further capital in the future to fund the Company to its targeted goal of 2 Bcf/d (gross) gas production in the Beetaloo Basin by 2030. There are numerous capital levers which Tamboran may explore to supplement future equity, including:

- **Farm-in:** Attractive entry point for a farm-in partner.
- **Royalty transaction:** Tamboran has held discussions previously regarding the sale of royalties across Tamboran’s Beetaloo Basin acreage.
- **Debt:** Potential to raise debt from financiers to support development of the proposed pilot project.
- **US listing:** Potential to source deeper pool of capital in the US with experience with shale developments, particularly in light of Tamboran’s recent re-domiciliation into the US.

### Details of the Equity Raise

The Equity Raise consists of an offer of New CDIs through:

- A Placement to raise up to A\$28 million (US\$18 million); and
- A 1 for 6.2 Entitlement Offer to existing eligible securityholders.

The Issue Price for both the Placement and Entitlement Offer will be A\$0.16 per New CDI which represents a 15.8% discount to Tamboran’s last closing price of A\$0.19 per CDI on Wednesday, 13 December 2023 and a 4.9% premium to the 10-day VWAP of A\$0.153 per CDI.

Under the Entitlement Offer, eligible securityholders are invited to subscribe for 1 New CDI for every 6.2 existing Tamboran CDIs (**Entitlement**) held as at 7:00pm (Sydney time) on Monday, 18 December 2023.

Tamboran will issue up to approximately 452 million New CDIs under the Equity Raise, representing 26.4% of Tamboran's existing CDIs on issue. Post completion of the Equity Raise (assuming both the Placement and Entitlement Offer are fully subscribed), there will be 2,169 million CDIs on issue.

New CDIs issued under the Equity Raise will rank equally with existing fully paid CDIs from the date of issue. The Entitlement Offer is non-renounceable and rights are not transferrable and will not be traded on the ASX or any other exchange. The Entitlement Offer will be made to eligible institutional securityholders (**Institutional Entitlement Offer**) and eligible retail securityholders (**Retail Entitlement Offer**). Eligible securityholders who do not take up their entitlement under the Entitlement Offer in full or in part, will not receive any value in respect of those entitlements not taken up.

### Strategic Investment

Bryan Sheffield has committed to take up an A\$8 million (US\$5 million) investment under the Entitlement Offer, representing Mr. Sheffield's full pro rata entitlement.

### Details of the Institutional Entitlement Offer

Certain eligible institutional securityholders are invited to participate in the Institutional Entitlement Offer, which is being conducted concurrently with the Placement.

New CDIs issued under the Institutional Offer are expected to settle on Wednesday, 20 December 2023 and be issued on the following business day, Thursday, 21 December 2023.

### Retail Entitlement Offer

Eligible retail securityholders with registered addresses in Australia and New Zealand (and certain other jurisdictions in which the Company has decided to extend the Entitlement Offer), and who are not located in the United States, will be invited to participate in the retail component of the Entitlement Offer (**Retail Entitlement Offer**) at the same Offer Price and offer ratio as the Institutional Entitlement Offer. The Retail Entitlement Offer will open on Wednesday, 20 December 2023 and close at 5:00pm (Sydney time) on Wednesday, 3 January 2023.

Further details about the Retail Entitlement Offer will be set out in the Retail Entitlement Offer information booklet (**Retail Offer Booklet**), which Tamboran expects to lodge with ASX and dispatch to eligible retail securityholders on Wednesday, 20 December 2023.<sup>2</sup>

The Retail Offer Booklet will also enclose a personalised entitlement and acceptance form.

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<sup>2</sup> Retail securityholders that are in the United States or that are "U.S. persons" (as defined in Rule 902(k) of Regulation S under the U.S. Securities Act of 1933) ("U.S. Persons") or acting for the account or benefit of U.S. Persons are not entitled to participate in the Retail Entitlement Offer.

Entitlements cannot be traded on the ASX or transferred. Eligible retail securityholders who do not take up their Entitlement under the Retail Entitlement Offer, in full or in part, will not receive any value in respect to those Entitlements not taken up.

### Indicative Timetable for the Equity Raise

The timetable (and each reference in this announcement to a date specified in the timetable) is indicative only and the Company may, at its discretion, vary any of the above dates by lodging a revised timetable with the ASX. All times referred to in this announcement are Sydney time. The quotation of New CDIs is subject to confirmation from the ASX.

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Event	Date
Announcement of the Equity Raise, Institutional Offer open and Institutional Offer close. CDIs placed into trading halt	Thursday, 14 December 2023
Trading halt lifted and CDIs recommence trading on ASX	Friday, 15 December 2023
Record Date for Entitlement Offer (7:00pm Sydney time)	Monday, 18 December 2023
Settlement of New CDIs under the Institutional Offer, Retail Entitlement Offer opens and Retail Offer Booklet dispatched	Wednesday, 20 December 2023
Issue and commencement of trading of New CDIs under the Institutional Offer	Thursday, 21 December 2023
Retail Entitlement Offer closes (5:00pm Sydney time)	Wednesday, 3 January 2024
Issue of New CDIs under the Retail Entitlement Offer	Tuesday, 9 January 2024
Commencement of trading of New CDIs issued under the Retail Entitlement Offer	Wednesday, 10 January 2024
Despatch of holding statements for New CDIs issued under the Retail Entitlement Offer	Thursday, 11 January 2024

Merrill Lynch Equities (Australia) Limited (ABN 65 006 276 795) (**BofA Securities**) is acting as Placement Agent to the Equity Raise (**Placement Agent**).

Squire Patton Boggs is acting as Legal Counsel.

***This ASX announcement was approved and authorised for release by Joel Riddle, the Managing Director and Chief Executive Officer of Tamboran Resources Corporation.***

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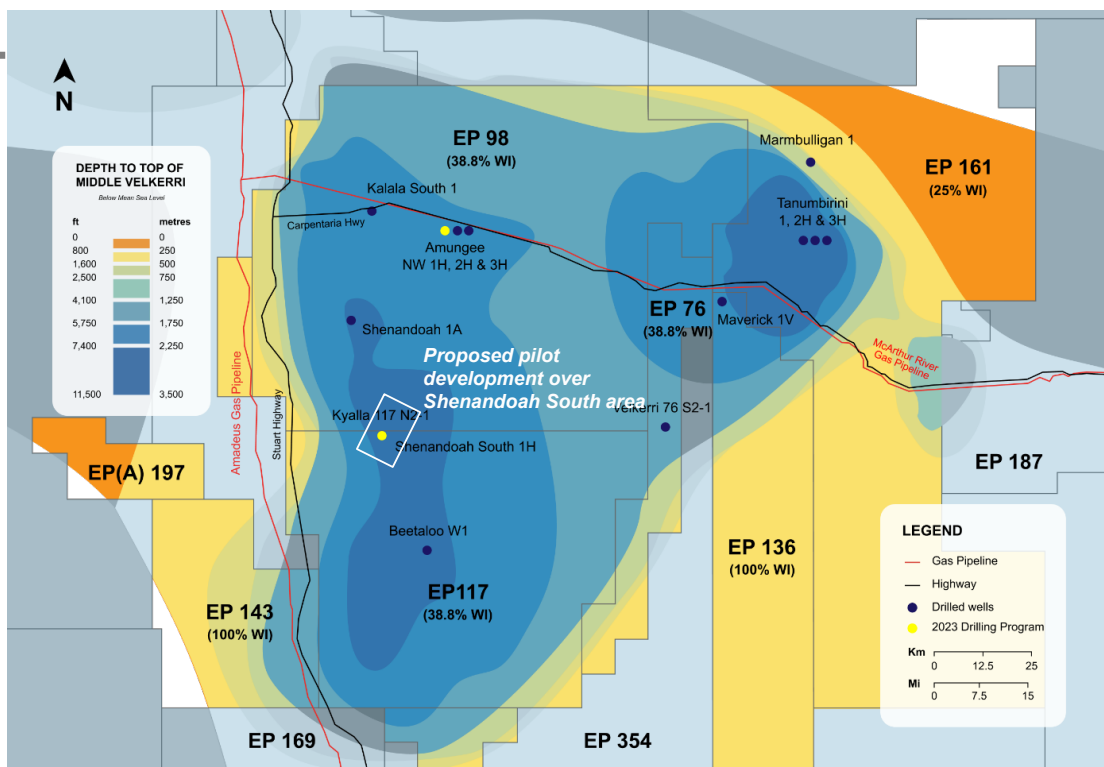
**About Tamboran Resources Corporation**

Tamboran Resources Corporation is the largest acreage holder and operator with ~1.9 million net prospective net acres in the Beetaloo Sub-basin within the Greater McArthur Basin in the Northern Territory of Australia. The Company is focused on playing a constructive role in the global energy transition towards a lower carbon future, by developing a significant natural gas resource within the basin.

Tamboran’s key assets include a 38.75% working interest and operatorship in EPs 98, 117 and 76, a 100% working interest and operatorship in EP 136 and a 25% non-operated working interest in EP 161, which are all located in the Beetaloo Basin.

Tamboran will focus on the proposed EP 98/117 Pilot Project, targeting first production in early 2026, and the proposed Northern Territory LNG (NTLNG) development at Middle Arm in Darwin, targeting first production by the end of 2030.

**Figure 1: Tamboran’s Beetaloo Basin asset location map**



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## Disclaimer

### Not for distribution or release in the United States or to U.S. Persons

This announcement does not constitute an offer to sell, or a solicitation of an offer to buy, any CDIs (or underlying shares of common stock) in the United States or to any person who is, or is acting for the account or benefit of, a “U.S. person” (as defined in Rule 902(k) of Regulation S under the U.S. Securities Act of 1933, as amended (“U.S. Securities Act”)) (“U.S. Person”), or in any other jurisdiction in which such an offer to sell, or a solicitation of an offer to buy, would be unlawful. The New CDIs being offered and sold in the Placement and the Entitlement Offer (including underlying shares of common stock) have not been, and will not be, registered under the U.S. Securities Act or the securities laws of any state or other jurisdiction of the United States. Accordingly, the New CDIs in the Placement and the Entitlement Offer (or underlying shares of common stock) may not be offered or sold, directly or indirectly, in the United States or to, or for the account or benefit of, any U.S. Persons, unless the New CDIs are offered or sold in a transaction exempt from, or not subject to, the registration requirements of the U.S. Securities Act and the securities laws of any state or any other jurisdiction in the United States.

### Forward looking statements

Tamboran makes no representation, assurance or guarantee as to the accuracy or likelihood of fulfilment of any forward-looking statement or any outcomes expressed or implied in any forward-looking statement. The forward-looking statements in this report reflect expectations held at the date of this document. Except as required by applicable law or the ASX Listing Rules, Tamboran disclaims any obligation or undertaking to publicly update any forward-looking statements, or discussion of future financial prospects, whether as a result of new information or of future events.

The information contained in this announcement does not take into account the investment objectives, financial situation or particular needs of any recipient and is not financial product advice. Before making an investment decision, recipients of this announcement should consider their own needs and situation and, if necessary, seek independent professional advice. To the maximum extent permitted by law, Tamboran and its officers, employees, agents and advisers give no warranty, representation or guarantee as to the accuracy, completeness or reliability of the information contained in this presentation. Further, none of Tamboran nor its officers, employees, agents or advisers accept, to the extent permitted by law, responsibility for any loss, claim, damages, costs or expenses arising out of, or in connection with, the information contained in this announcement.

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## Risks specific to the Company and the Industry

### Exploration risk

Gas exploration and development is speculative and involves elements of significant risk with no guarantee of success. Tamboran presently has no proved reserves and has not sold any natural gas produced. Tamboran may not find any or may find insufficient hydrocarbon reserves and resources to commercialise, which would adversely impact the financial performance of Tamboran. There is the risk that drilling will result in dry holes or not result in the discovery of commercially exploitable hydrocarbons. Wells may not be productive, or they may not provide sufficient revenues to return a profit after accounting for associated costs.

### Company's business remains speculative

While the directors will, to the best of their knowledge, experience and ability (together with management) endeavour to anticipate, identify and manage the risks inherent in the activities of the Company, the ability of the directors and management to do so may be affected by matters outside their control. This fact reflects the inherent risks of the gas industry, and no assurance can be given that the directors and management of the Company will be successful in these endeavours.

### Growth strategy and net zero emissions risk

There is a risk that the Company may fail to execute its proposed growth strategy, which includes de-risking the prospective resources identified within its highly prospective acreage in the Beetaloo Sub-basin, working with infrastructure partners such as APA Group to bring resources to market to meet anticipated domestic gas shortfalls and commercialising those resources; and adopting sustainable practices, including a vision of achieving net zero emissions.

The Company's growth strategies could be adversely impacted by, amongst other things, legal, regulatory and policy developments, as well as failing to discover and commercially extract resources. Upon commencement of commercial production, the Company is required by the Australian government to produce natural gas in the Beetaloo Basin on a Scope 1 net zero basis. In particular, achievement of the Company's internal goal of producing natural gas with net zero equity Scope 1 and 2 emissions will depend on the Company being able to economically manage its carbon emissions, which could for example be impacted by availability of future revenues to fund various carbon initiatives, market pricing of carbon offsets, technological developments affecting operations and costs of implementing sustainable practices. Meeting these requirements and goals may increase the Company's costs of production, and the Company may be unable to meet these requirements and goals.

### Early stage company

Tamboran is an early stage company with no revenues and has limited operating history, and its future performance is uncertain. Tamboran's ability to successfully drill and complete the wells identified in its current capital plan will depend on a variety of factors. To date the Company has drilled and completed only four wells as operator and flow tested one well, results from which proved to be inconclusive. Companies in the early stages of operations face substantial business risks and may suffer significant losses. The Company faces challenges and uncertainties in financial planning as a result of the unavailability of historical data and uncertainties regarding the nature, scope and results of its future activities. In the event that Tamboran's drilling program is delayed, its operating results will be adversely affected.

### Operational risk

Gas development activities include numerous operational risks, including but not limited to, adverse weather conditions, environmental hazards, and unforeseen increases in establishment costs, accidents (including, for example, fires, explosions, uncontrolled releases, spills and blowouts), equipment failure, industrial disputes, technical issues, supply chain failure, labour issues and other unexpected events. Drilling operations, in particular, carry inherent risk associated with, for example, unexpected geological conditions, mechanical failures or human error.

The occurrence of an operational risk event could also restrict the Company's ability to advance its development and operational programs. This, in turn, may adversely impact the Company's financial performance.

### Geographic risk

The Company's operations are geographically concentrated in the Northern Territory, and specifically the Beetaloo Basin. As a result, the Company may be disproportionately exposed to the impact of regional supply and demand factors in the Beetaloo Basin caused by significant governmental regulation, curtailment of production or interruption of the processing or transportation of natural gas produced from wells in this area. In addition, the effect of fluctuations on supply and demand may become more pronounced within a specific geographic natural gas producing area such as the Beetaloo Basin, which may cause these conditions to occur with greater frequency or magnify the effects of these

conditions. Due to the concentrated nature of the Company's operations, the Company could experience any of the same conditions at the same time, resulting in a relatively greater impact on its revenue than they might have on other companies that have more geographically diverse operations.

#### **Reserves and resources estimates**

Estimating hydrocarbon reserves and resources is subject to significant uncertainties associated with technical data and interpretation of that data, future commodity process and development and operating costs. These estimates may be incorrect, as the accuracy of these estimates is a function of the available data, geological interpretation and the Company's judgment. There can be no guarantee that the Company will successfully produce the volume of hydrocarbon that it estimates are reserves or that hydrocarbon resources will be successfully converted to reserves. Downward revision of reserves and resources estimates may adversely affect the Company's operational and financial performance. If the Company's assessments of the Beetaloo Basin are materially inaccurate, it will have a fundamental impact on the Company's business. The Company currently has no proved reserves at this time.

#### **Land access risk**

Immediate access to the licences in which the Company has an interest, cannot in all cases, be guaranteed. The Company may be required to seek the consent of landholders, government authorities and other groups with an interest in the real property encompassed by the licences. Compensation is required to be paid by the Company to stakeholders to allow the Company to carry out activities. Judicial or regulatory decisions and legislation could also unforeseeably restrict or delay land access.

#### **Access to infrastructure risk**

There is no guarantee that Tamboran will be able to gain access to appropriate infrastructure on commercially viable terms to sell the reserves it produces. Failure to obtain access to infrastructure including gathering, processing and pipelines, among other items, would adversely impact Tamboran's financial performance.

#### **Development risk**

In the event that Tamboran is successful in locating commercial quantities of gas, then that development and the construction of midstream projects could be delayed or unsuccessful for a number of reasons, including delays from third-party landowners, the permitting process, extreme weather, unanticipated operational occurrences, failure to obtain necessary approvals, compliance with laws, labor disruptions, environmental hazards, financing, insufficient funds, a drop in commodity price, supply chain failure, unavailability of appropriate or an increase in costs of drilling rigs, equipment, supplies, personnel and natural gas field services and other factors. If one or more of these occurrences has a material impact, then Tamboran's operational and financial performance may be negatively affected.

#### **Permit risk**

The Company is required to comply with a range of laws to retain its permits and periodically renew them. However, there is no certainty that an application for grant or renewal of a permit will be approved at all, or on satisfactory terms or within expected timeframes.

#### **Price of gas currency volatility**

The demand for, and price of gas is highly dependent on a variety of factors, including international supply and demand, the level of consumer product demand, actions taken by governments and major gas corporations, global economic and political developments and other factors all of which are beyond the control of the Company. A material decline in the price of gas may have a material adverse effect on the economic viability of a project. Examples of such uncontrollable factors that can affect gas price are unrest and political instability in countries that have increased concern over supply.

In particular, the conflict involving Russia and Ukraine has recently led to an increase in international oil prices, which creates transitory increases in the revenues of upstream companies around the globe. The conflict has also led to increased volatility in global commodities in general and hydrocarbon prices, in particular. The Company cannot predict whether such volatility will lead to further price increases or, on the contrary, lead to a general downturn in economic activity or oil and gas prices, and therefore adversely affect the Company's business, financial condition and results of operations.

#### **Policy risk**

The Company's business is affected by government policy, which in turn may be influenced by international policies and laws. While the Company considers that Federal Government's current policy is supportive of the development of Australia's natural gas resources, there is no



guarantee that this stance will not change in the future. Shifts in government policy could have varying degrees of impact on the Company's operations and its profitability and could range from loss or reduction in industry incentives, preventing infrastructure development to moratoriums on future gas development in specific areas or across the Beetaloo Sub-basin.

#### **Regulatory risk**

Tamboran must comply with relevant laws and regulations in each jurisdiction it operates as it applies to the environment, tenure, land access, landholders and native title holders. Non-compliance with these laws and regulations and any special licence conditions could result in suspension of operations, loss of permits or financial penalties. Non-compliance may impact Tamboran's ability to commercialise or retain its assets, which may in turn impact its operational and financial performance.

The exploration of the Tamboran assets is dependent upon the maintenance (including renewal) of the relevant permits. Maintenance of the permits is dependent on, among other things, meeting the permit conditions imposed by the relevant authorities including compliance with work program and expenditure requirements. Titles and access rights may also be disputed, which could result in costly litigation or disruption of the Company's operations.

#### **Competition risk**

The Company competes with numerous other organisations in the search for, and the acquisition of, gas assets. The Company's competitors include gas companies that have substantially greater financial resources, staff and facilities than those of the Company and a longer operating history. There is also no guarantee that the Company will be able to compete effectively with future competitors, including from organisations specialising in alternative sources of energy. Future competition may adversely impact the Company's financial performance.

#### **Product risk**

There is a risk that any gas resource identified may not be of sufficient quality to develop commercial operations, which could have an adverse impact on the Company.

#### **Decommissioning risk**

Decommissioning costs may be incurred at the end of the operating life of gas assets. The exact decommissioning costs are uncertain and can vary due to a number of factors, including changes to legal requirements, new restoration techniques or experience at other sites.

#### **Substantial capital needs risk**

Tamboran's business plan requires substantial additional capital, which it may be unable to raise on acceptable terms in the future, or at all, which may in turn limit its ability to execute its plans.

The Company currently does not have any operating revenue and may not generate any revenue in the short to medium term. Based on its current assumptions, the Company believes that its existing cash resources upon completion of this offering will be sufficient to progress its business plans. However, the Company may require additional capital resources earlier than it currently expects. There can be no assurance that the Company will be able to obtain funding if or when required. Failure to obtain additional funding could delay work programs, the development of its assets, and/or force the directors to pursue less attractive funding alternatives.

#### **Future acquisition risk**

The Company's growth plans, in part, may require the availability of appropriate and suitable project, asset and equipment acquisitions and may include potential mergers and acquisitions (Future Acquisitions). Future Acquisitions may not achieve the intended results and the Company's results may suffer if it does not effectively manage its expanded operations following such transactions. Some of the assumptions that the Company may make, such as the nature of assets to be acquired, may not be realized. There could also be undisclosed or unknown liabilities and unforeseen expenses associated with an acquisition as well as integration and implementation risks.

#### **Equipment and implementation risk**

The future growth plans and operations of the Company could be adversely affected if essential equipment fails, is delayed or is unavailable. Additionally, the detection, gathering and quality of product produced from the Company's projects will likely have a significant impact on the Company's results and future growth plans.

Tamboran held three rigs as "Assets Held for Sale" at a value of A\$13.3 million which may incur a write-down of the holding value. Recently, the Company sold one small rig for \$3.4 million and is planning to sell the largest rig for approximately US\$9 million, however, this is subject to market, realising an offer (either higher or lower).

The Company intends to import and implement U.S. practices and technology for use in the development of its properties in the Northern Territory. There is limited experience with these practices and technology within the workforce in the areas Tamboran operates. The ability to attract and train a qualified workforce could hamper Tamboran's present operations and limit its ability to grow.

#### **Access to funding for operations risk**

The funds raised from the Equity Raise will be used to carry out Tamboran's development of the Beetaloo Basin as detailed in this presentation. As is typical for exploration companies that do not have cash generating businesses, Tamboran's ability to meet its on-going operating costs and capital expenditure requirements will ultimately involve expenditure that exceeds the estimated cash resources that Tamboran is expected to have. Tamboran cannot be certain when or if its operations will generate sufficient cash to fully fund its ongoing operations. Tamboran's continued ability to operate its business and effectively implement its business plans over time will depend in part on its ability to raise additional capital for future operations as required.

Development of gas reserves and resources require significant capital and operational expenditure. With future growth, the Company may require funding for future commitments. Tamboran's ability to raise further capital (equity or debt) or obtain additional financing within an acceptable time, of a sufficient amount and on terms acceptable to Tamboran will vary according to a number of factors, including prospectivity of its projects (existing and future), the stock market and industry conditions and the price of oil and gas and relevant exchange rates. There can be no assurance that the Company will be able to obtain funding if or when required. Failure to obtain funding may cause Tamboran to miss out on new opportunities, delay or cancel projects, or to relinquish or forfeit rights in relation to Tamboran's assets, adversely impacting its operational and financial performance.

#### **LNG export risk**

The Company's long-term business plan contemplates the development of an additional LNG export terminal on the northern coast of Australia. The Company's ability to develop such a facility is dependent on its ability to attract a third-party partner as well as securing the necessary permits. The Company may not be successful in the negotiation or execution of definitive agreements to commit to the project. Failure to do so could cause significant delays to the phases of the Company's business plan and have a material adverse effect on its results of operations and financial condition.

#### **Community opposition risk**

Given community opposition to certain gas projects from time to time, there is a risk of community opposition to the Company's operations. Disapproval of local communities or other interested parties may lead to direct action which impedes the Company's ability to carry out its lawful operations, resulting in project delay, reputational damage and increased costs and thus impact the financial performance of the Company.

#### **Native title and heritage risk**

The Company will be required to comply with the Native Title Act 1993 (Cth) because native title has been judicially determined for land underlying the granted exploration tenements. Consultation and negotiations have occurred, leading to exploration agreements. Further agreements will be required for any production phase, but the exploration agreements anticipate production and provide the parameters for those negotiations and outcomes. The Company will also be required to comply with the Aboriginal Land Rights (Northern Territory) Act 1976 (Cth) (ALRA) for tenement applications over Aboriginal freehold. Compliance with the either legislative regime and their respective requirements for negotiation and agreement can significantly delay the grant of exploration and production tenements, and substantial compensation may be payable as part of any agreement reached. In addition, Sacred sites and heritage sites have been identified within areas covered by the tenements in which the Company has an interest, and other such sites may exist. Destruction, disturbance, or harming protected sites and artefacts may result in the Company incurring significant civil and/or criminal penalties, which may adversely impact the Company's activities.

#### **Reliance on gas development and production activity**

The future growth of the Company is dependent on the continued economic importance of gas, development and production industry in Australia and internationally (as it relates to LNG trade).

Any substantive and prolonged changes to the current economic importance of gas development and production industry in Australia would be likely to have an adverse effect on the business, financial condition and profits of the Company.

## Personnel

The success of the Company is dependent on the continued efforts of its management team, who have been instrumental in the growth and expansion of the business to date, as well as its technical team. The loss of key personnel could have a material adverse impact on the Company's operations because other (new) personnel may not have the experience and expertise to readily replace these individuals. Further, as the Company executes its development and operational programs, Tamboran will need to hire complementary personnel. Outside searches for new personnel may be prolonged, and the Company cannot provide assurance that the Company would be able to locate and hire qualified individuals.

## Environmental risk

Despite efforts to conduct activities in an environmentally responsible manner and in accordance with applicable laws, there is a risk that gas activities may cause harm to the environment which could impact production or delay future development timetables.

The Company is also subject to laws and regulations to minimise the environmental impact of its operations and rehabilitation of any areas affected by its operations. Changes to environmental laws may result in the cessation or reduction of the Company's activities, materially increase development or production costs or otherwise adversely impact the Company's operations, financial performance or prospects. Penalties for failure to adhere to requirements and, in the event of environmental damage, remediation costs can be substantive and may not, in its entirety, be insurable. Compliance with these laws requires significant expenditure and non-compliance may potentially result in fines or requests for improvement action from the regulator.

In addition, if the Company were to be held responsible for environmental damage, in addition to remediation costs, it may suffer reputational damage, possible suspension or cessation of operations, revocation of permits or financial penalties.

## Unconventional drilling

Public debate exists regarding the potential impacts of unconventional drilling on water and there are many regulatory requirements to be adhered to. Unconventional drilling requires large volumes of water (the availability and regulation of which may change over time) and there are costs associated with water disposal that may be required should the Company produce water in its wells. Any modification to the current requirements may adversely impact the value of the Company's assets and future financial performance.

## Contract risk

Any insolvency of a counter party to any contracts, or any failure by counterparties to perform their obligations may have a material adverse effect on the Company and there can be no assurance that it would be successful in enforcing any of its contractual rights through legal action.

## Health and safety risk

Gas operations, such as drilling, are inherently hazardous. In addition to the risk of injury or damage to persons or property, health and safety failures represent a substantial reputational and regulatory risk for the Company.

## Counterparty exposure and joint ventures

The financial performance of the Company is subject to its various counterparties or its joint venture partners to perform their respective obligations under the relevant contracts and joint ventures. Tamboran is party to joint venture agreements with Santos QNT for the EP 161 joint venture and Sheffield Holdings and Falcon Oil and Gas for the EP 98, 117 and 76 joint ventures.

The Company's business plan contemplates the execution of midstream contracts with certain third parties in order to allow it to supply its own natural gas for export out of Darwin or directly to the Australian East Coast. The Company may not be successful in obtaining the commercial contracts necessary to facilitate direct delivery of its natural gas production on commercially reasonable terms, or at all.

If a counterparty fails to perform their contractual obligations, it may result in loss of earnings, termination of other related contracts, disputes and/or litigation of which could impact on the Company's financial performance.

## Climate change risk

There has been increasing concern by the public and regulators globally on climate change issues. As a gas development company, Tamboran is exposed to both transition risks and physical risks associated with climate change. Transitioning to a lower-carbon economy may entail

extensive policy, legal, technology and market changes and, if demand for gas declines, Tamboran may find it difficult to commercialise any resources it discovers.

#### **Cyber security risk**

Breaches of cyber security is a growing global risk as the volume and sophistication of threats have increased. Risks include unauthorised access to data and information, malicious attacks resulting in outages and disruptions to operations and ransom demands with financial consequences to Tamboran.

### **Risks associated with Tamboran's exploration assets**

Tamboran's key exploration assets include a 38.75% working interest and operatorship in EPs 98, 117 and 76 (Origin Assets), a 100% working interest and operatorship in EP 136 (Sweetpea Assets), EP 143 and EP(A) 197 and a 25% non-operated working interest in EP 161, which are all located in the Beetaloo Basin (Tamboran Exploration Assets).

#### **The Tamboran Exploration Assets may be subject to costs and liabilities related to environmental laws, regulations and standards**

The Tamboran Exploration Assets are subject to a broad range of environmental laws, regulations and standards, including those that impose limitations on the discharge of pollutants and contaminants to the air, ground and water bodies and establish standards for the treatment, storage and disposal of certain materials and substances. Compliance with these laws, regulations and standards requires significant expenditure of financial and employee resources. In addition, changes to such laws, regulations and standards are made or proposed regularly, and some of the proposals, if adopted, might directly or indirectly, limit or force Tamboran to change the way it operates. For example, increased regulation of emissions linked to climate change, including greenhouse gas emissions and other climate-related regulations, could potentially increase the cost of Tamboran's operations due to increased costs of compliance and the adoption of new technologies and sources of energy, as well as impact the operations of Tamboran's customers. Further, laws, regulations and standards relating to air, ground and water quality, handling, discharge, storage and disposal of waste products are also significant factors in Tamboran's business and changes to such requirements generally result in an increase to Tamboran's costs of operations.

#### **The Tamboran Exploration Assets may be impacted by evolving expectations with respect to environmental, social and governance standards (ESG)**

As the global economy de-carbonises in response to evolving ESG requirements and expectations in various jurisdictions, and adopts new technologies and sources of energy, the Tamboran Exploration Assets are exposed to physical (extreme weather events) and transitional risks, including adverse shifts in commodity demand and customer mix. Such physical and transitional risks may require Tamboran to incur more expenditure than anticipated or reduce demand for the Tamboran Exploration Assets, which may in turn affect Tamboran's earnings. Further, government response to climate in different jurisdictions may result in costs to Tamboran's business either to reduce its emissions or through carbon pricing legislation.

#### **The Tamboran Exploration Assets may be impacted by legal or regulatory issues**

Tamboran, as a result of its interests in the Tamboran Exploration Assets, will be exposed to a range of risks relating to compliance with, changes to, or uncertainty in, the relevant political, legal and regulatory regimes to which the Tamboran Exploration Assets are subject. Changes to laws and regulations that apply to the Tamboran Exploration Assets may have a material adverse effect on Tamboran's business, financial position and prospects. If Tamboran's operations are found not to satisfy, or to violate, any applicable laws or regulations (including anti-bribery and corruption, sanctions, safety and environmental laws, and financial reporting and tax laws), Tamboran may be subject to regulatory and enforcement action, penalties, damages, fines, disruption to its operations, increased compliance costs and reputational damage.

#### **Tamboran is exposed to risks as a result of being party to a farm-in agreement and joint venture**

The acquisition by Tamboran of the Origin Assets resulted in Tamboran becoming a joint venture partner, and subject to a farm-in agreement previously entered with that joint venture partner. Tamboran is required under the joint operating agreement to pay its percentage interest share of all costs and liabilities incurred by the joint venture in connection with joint venture activities, and under the farm-in agreement is required to pay some of the remaining costs of the joint venture partner's share for a specified work program relating to Shenandoah South 1H. If Tamboran fails to pay its share of any costs and liabilities, subject to the terms of each particular joint operating agreement, it may forfeit its right to its production entitlement and may have to transfer its interest in the relevant permit and related joint operating agreement to one or more of the other joint venture partners.

There is a risk that current or future joint venture partners may suffer financial failure or default in their obligations in respect of the relevant joint venture, which may delay or prevent development of the relevant project, unless Tamboran can provide replacement funding. Accordingly, Tamboran may be required to make increased contributions to ensure a project proceeds.

If one of its counterparties fails to perform their contractual obligations, it may result in loss of earnings, termination of other related contracts, disputes and/or litigation of which could impact on Tamboran's financial performance.

#### **Gas Sales Agreement**

The acquisition of the Origin Assets also involved the entry of the Company into a gas sales agreement with Origin Energy. The gas sales agreement is subject to a number of conditions, including a final investment decision by Tamboran for the development of the project in a manner that supports proceeding with the Origin gas supply agreement. It is possible such conditions are delayed or not met and the gas supply agreement is never enlivened or commences later than anticipated. This might occur due to circumstances beyond Tamboran's reasonable control (such as third-party investments in pipeline infrastructure or government approvals). Given the volatility of gas pricing noted in these risks, it is alternatively possible that the gas supply agreement may be enlivened and require Tamboran to supply gas at a price that is not profitable.

#### **Royalty and Related Security**

The acquisition of the Origin Assets also involved the granting of a royalty to Origin Energy in respect of future sales from the Origin Assets. While the deferred consideration provided by the royalty has assisted in achieving the acquisition, the overriding royalty payable to Origin Energy may make it more difficult to achieve profitable economics for developing the project. The royalty is also subject to security provided by Tamboran, such that there is a risk that in the event of Tamboran default or inability to pay the royalty, it is possible for the security holder to exercise powers to sell the interests in the Origin Assets.

### **Specific risks in relation to the Sweetpea Assets**

#### **Overriding Royalties and Area of Mutual Interest Obligation in respect of Sweetpea**

Sweetpea Petroleum Pty Limited (Sweetpea) is a wholly owned subsidiary of Tamboran and owns a 100% interest in EP 136, EP 143 and EP(A) 197 (Sweetpea Assets). The Sweetpea Assets are subject to overriding royalty interests (ORRI) and an Area of Mutual Interest (AMI) obligation, granted in favour of parties that give the holders certain contractual rights (such as to receive a share of revenue/profits) in respect of gas produced from the land within a permit. At acquisition, the aggregate ORRI totals 7% of revenue and the AMI provides for grant of additional ORRIs where additional acreage is acquired by Sweetpea or its securityholder within a specified area contiguous to the Sweetpea Assets. Portions of the 7% ORRI may be reduced over time to an aggregate 3% ORRI, and the obligations with respect to the AMI eliminated through cash payments made by Tamboran totalling approximately US\$17 million. Payment dates and amounts vary as outlined in the agreements, but generally run from 2021 to 2025. Tamboran currently anticipates exercising its rights to reduce the ORRIs and eliminate the AMI. However, there is no guarantee that the Company will have sufficient funds to pay these obligations as they contractually arise.

### **General investment risks**

#### **Force majeure events**

Events may occur within or outside Australia that could impact upon the global, Australian and other local economies, the operations of the Company and the price of the CDIs. These events include but are not limited to war, terrorist attacks, natural disasters, outbreaks of disease or other man-made or natural events that can have an adverse effect on the demand for the Company's products and its ability to conduct business. In most cases, these risks cannot be insured against and when they are insurable, there is no guarantee that insurance claims will be made in all circumstances or that available insurance proceeds will cover every aspect of loss or damage.

#### **Exposure to general economic and financial market conditions**

Since the Company has become a publicly listed company on the ASX, it has been subject to the general market risk that is inherent in all securities traded on a stock exchange. This will generally result in fluctuations in the CDI price that are not explained by the Company's fundamental operations and activities. Some of the factors which may adversely impact the price of the CDIs include general market conditions, including investor sentiment, general, general operational and business risks and general economic conditions including interest rates, exchange rates, changes to government fiscal, monetary or regulatory policies and settings. Deterioration in general economic conditions may adversely impact on the Company's business operations and the price of the CDIs as well as the Company's ability to pay dividends and the consequent returns from an investment in the CDIs. As a result, the Company is unable to forecast the market price for the CDIs.

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#### **No dividend or other distribution in the near term**

The directors do not in the near future intend to pay profits of the Company out in the form of dividends or other distributions but will instead reinvest those amounts into development of the business and to execute the Company's growth strategies. Accordingly, any returns at this stage will be limited to any capital growth arising from any increase in the price of the CDIs.

#### **Exposure to changes in tax rules or their interpretation**

Tax laws in Australia are complex and are subject to change periodically, as is their interpretation by the courts and the tax revenue authorities. Any change to the taxation of CDIs (including the taxation of dividends) and the taxation of companies (including the existing rate of company income tax and the Company's ability to claim research and development offsets) may adversely impact on securityholder returns, as may a change to the tax payable by securityholders in general. Any past or future interpretation of the taxation laws by the Company which is contrary to that of a revenue authority in Australia may give rise to additional tax payable. In order to minimise this risk, the Company obtains external expert advice on the application of the tax laws to its operations (as applicable); however, there is no certainty that the interpretations of tax revenue authorities will accord with that advice.

#### **Accounting standards**

Australian Accounting Standards are set by the Australian Accounting Standards Board (AASB) and are outside the control of the Company and its directors. The AASB may, from time to time, introduce new or refined AAS, which may affect future measurement and recognition of key statement of comprehensive income, and statement of financial position items. Changes to the AAS could materially adversely affect the future reporting of financial performance and position of the Company.

#### **Securityholder dilution**

In the future, the Company may elect to issue CDIs to raise further funding. While the Company will be subject to the constraints of the ASX Listing Rules regarding the percentage of its capital it is able to issue within a 12-month period (other than where exceptions apply), holders of the CDIs may be diluted as a result of such fundraisings and holders may experience a loss in value of their equity as a result of such issues of CDIs and fundraisings.

#### **Litigation**

In the ordinary course of business, Tamboran may be involved in possible disputes. These disputes could give rise to litigation, the outcome of which could have a material adverse effect on its operations, financial performance and/or financial position. While the extent of any disputes and litigation cannot be ascertained at this time, any dispute or litigation may be costly and may adversely affect the operational and financial results of Tamboran.

There is also a risk that Tamboran's reputation may suffer due to the profile and public scrutiny surrounding any such litigation and disputes regardless of their outcome.

Specifically, proceedings have been commenced by Central Australian Frack Free Alliance (CAFFA) against the Minister for Environment Northern Territory and Tamboran B2 Pty Ltd (Tamboran) on 30 January 2023 in the Northern Territory Supreme Court (Proceedings). The Proceedings seek to set aside the Minister's decision to approve the Amungee AW Delineation Program Environment Management Plan (OR111-3) Exploration Permit (EP) 98 (EMP) submitted by Tamboran (formerly Origin Energy B2 Pty Ltd) under the Petroleum (Environment) Regulations 2016 (NT) (Regulations). The Proceedings are listed for a three-day hearing before Chief Justice Grant in the NT Supreme Court commencing on 6 November 2023. Following the hearing, the Company anticipates that judgment will be delivered in 2024. Although uncertain, judgment may take up to 6 months given this is the first judicial review application under the Regulations. If the Proceedings are dismissed, CAFFA will have 28 days to lodge an appeal of the judgment. Alternatively, if CAFFA is successful in obtaining an order setting aside the EMP, Tamboran will not be able to undertake any operations pursuant to the EMP. However, Tamboran will have a period of 28 days to lodge an appeal of the judgment. As part of any appeal, Tamboran may file an application seeking a stay of the orders setting aside the EMP, pending the determination of the appeal, to allow Tamboran to continue undertaking operations pursuant to the EMP. Pursuant to the Regulations, if Tamboran is ultimately unsuccessful (even on appeal), or does not appeal, Tamboran will be required to halt regulated operations being undertaken under the EMP, and then revise and re-submit the EMP. The process for re-submission of the EMP is done in accordance with the Regulations and requires engagement with stakeholders, a period for public consultation and up to 90 days for the Minister to either approve or refuse the EMP. The Proceedings only concern the EMP. Any other approved environment management plan for EP98 (or any other Exploration Permit held either wholly or partly, by Tamboran or any of its related entities, are not impacted by the Proceedings). Accordingly, all operations under any other environment management plans or Exploration Permits, can continue irrespective of the outcome of the Proceedings.

#### **Insurance Coverage**

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The Company's business is subject to operating hazards that could result in substantial losses or liabilities for which it may not have adequate insurance coverage.

## Risks associated with investing in CDIs

### The CDIs may not be a suitable investment for all investors

Each potential investor in the CDIs must determine the suitability of that investment in light of its own circumstances. Furthermore, each potential investor in the CDIs should:

- a) have sufficient knowledge and experience to make a meaningful evaluation of the merits and risks of investing in the CDIs;
- b) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the CDIs and the impact the CDIs will have on its overall investment portfolio;
- c) have sufficient financial resources and liquidity to bear all of the risks of an investment in the CDIs or where the currency for payment is different from the potential investor's currency;
- d) understand thoroughly the terms of the CDIs and be familiar with the behaviour of any relevant indices and financial markets; and
- e) be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic and other factors that may affect its investment and its ability to bear the applicable risks.

A potential investor should not invest in the CDIs unless it has the expertise (either alone or with the help of a financial adviser) to evaluate how the CDIs will perform under changing conditions, the resulting effects on the value of such CDIs and the impact this investment will have on the potential investor's overall investment portfolio.

In addition, the investment activities of certain investors may be subject to legal investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisers to determine, among other things, whether and to what extent:

- a) the CDIs constitute legal investments for it;
- b) the CDIs can be used as collateral for various types of borrowing; and
- c) other restrictions apply to any purchase or pledge of any CDIs by the investor. Financial institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of the CDIs under any applicable risk-based capital or similar rules and regulations.

### Trading and liquidity in CDIs

The liquidity of the CDIs is limited as they will only be listed on the ASX and will not be listed for trading on any other securities exchange in Australia, in the United States or elsewhere. Further, the market price for CDIs may fall or be made more volatile because of the relatively low volume of trading in the Company's securities. When trading volume is low, significant price movement can be caused by trading a relatively small number of CDIs. If illiquidity arises, there is a real risk that security holders will be unable to realise their investment in the Company.

### Financial market conditions risk

The market price of the CDIs will fluctuate due to the various factors, including worldwide economic conditions, interest rates, credit spreads on other corporate securities, general movements in the Australian and international equity markets, factors which may affect the Company's financial position and earning and investor sentiment.

### Ranking

If the Company is wound-up, holders of the CDIs will rank behind creditors of the company and equally with other securityholders of the Company. If there is a shortfall of funds on winding-up, there is a risk that holders of the CDIs will not receive a full (or any) repayment of their money invested in the Company.

## International Offer Jurisdictions

This document does not constitute an offer of new CDIs (“New CDIs”) of the Company in any jurisdiction in which it would be unlawful. In particular, this document may not be distributed to any person, and the New CDIs may not be offered or sold, in any country outside Australia except to the extent permitted below.

### United Kingdom

Neither this document nor any other document relating to the offer has been delivered for approval to the Financial Conduct Authority in the United Kingdom and no prospectus (within the meaning of section 85 of the Financial Services and Markets Act 2000, as amended (“FSMA”)) has been published or is intended to be published in respect of the New CDIs.

The New CDIs may not be offered or sold in the United Kingdom by means of this document or any other document, except in circumstances that do not require the publication of a prospectus under section 86(1) of the FSMA. This document is issued on a confidential basis in the United Kingdom to “qualified investors” within the meaning of Article 2(e) of the UK Prospectus Regulation. This document may not be distributed or reproduced, in whole or in part, nor may its contents be disclosed by recipients, to any other person in the United Kingdom.

Any invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received in connection with the issue or sale of the New CDIs has only been communicated or caused to be communicated and will only be communicated or caused to be communicated in the United Kingdom in circumstances in which section 21(1) of the FSMA does not apply to the Company.

In the United Kingdom, this document is being distributed only to, and is directed at, persons (i) who have professional experience in matters relating to investments falling within Article 19(5) (investment professionals) of the Financial Services and Markets Act 2000 (Financial Promotions) Order 2005 (“FPO”), (ii) who fall within the categories of persons referred to in Article 49(2)(a) to (d) (high net worth companies, unincorporated associations, etc.) of the FPO or (iii) to whom it may otherwise be lawfully communicated (“relevant persons”). The investment to which this document relates is available only to relevant persons. Any person who is not a relevant person should not act or rely on this document.

## Regulation S Category 3 Restrictions

### United States Securities Law Restrictions

The offer and sale of the Company’s existing CDIs and New CDIs and the underlying shares of common stock (**Shares**) have not been, and will not be, registered under the United States Securities Act of 1933, as amended (**US Securities Act**) or the securities laws of any state or other jurisdiction of the United States. Accordingly, the New CDIs in the Entitlement Offer may not be offered or sold in the United States or to, or for the account or benefit of, US Persons (as defined in Rule 902(k) of Regulation S under the US Securities Act) except in compliance with the registration requirements of the US Securities Act and any other applicable state securities laws or pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act and applicable state securities laws. No holder of existing CDIs or New CDIs or Shares will have the right to require Tamboran to register the New CDIs or Shares under the US Securities Act.

By virtue of being a Delaware corporation, Tamboran is a US domestic issuer for purposes of the US Securities Act. The New CDIs being offered and sold in the Entitlement Offer (as well as the underlying Shares) will be ‘restricted securities’ for purposes of Rule 144 under the US Securities Act. Offers and sales of the New CDIs to investors outside the United States that are not, and are not acting for the account of benefit of, US Persons in the Offer are being conducted in a manner exempt from registration under the US Securities Act pursuant to “Category 3” of Regulation S under the US Securities Act.

### Offer and Secondary Market Procedures under the ASX No Action Letter

Because equity securities in Australia are “uncertificated” and the ASX does not have the ability to strictly implement the certification requirement, stop-transfer requirement and distributor confirmation requirement of Category 3 of Regulation S, Tamboran intends to implement procedures (**Offer and Secondary Market Procedures**) in connection with the Entitlement Offer and secondary market transactions during the initial 12 month distribution compliance period (**Distribution Compliance Period**) that are consistent with the “no action” letter obtained by the ASX from the staff of the SEC in January 2000 (ASX No Action Letter), other than in respect of procedures that would allow Qualified Institutional Buyers (**QIBs**) in the United States or that are US Persons to purchase New CDIs in the secondary market over the ASX in transactions complying with Rule 144A.

The Company’s existing CDIs and the New CDIs issued under the Entitlement Offer will be classified as ‘FOR Financial Products’ under the ASX Settlement Operating Rules, and will be identified with a tag that prohibits secondary market resales to investors in the United States or that are

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otherwise US Persons, unless such investor is a QIB, during the Distribution Compliance Period. If a person in the United States or a US Person (or a person acting for the account or benefit of a US Person) that is not a QIB acquires New CDIs in the secondary market over the ASX during the Distribution Compliance Period, such New CDIs will be divested under the ASX Settlement Operating Rules.

Further details on the Offer and Secondary Market Procedures are set forth below.

#### **ASX Notification to ASX Participants**

During the Distribution Compliance Period, ASX Settlement will implement various procedures designed to ensure compliance with the restrictions imposed by US securities laws on the Company's existing CDIs and the New CDIs, including (but not limited to) the following:

- advise ASX participating organizations (**ASX Participants**) that, during the Distribution Compliance Period, no transaction on the ASX involving CDIs will be effected if such participant has knowledge that the purchaser is in the United States or is a US Person, unless the purchaser is a QIB (an **Excluded US Person**);
- circulate to all ASX Participants via electronic market circulars and bulletins: (1) details of what constitutes an Excluded US Person; and (2) notification details of CDIs and the zero percent permitted ownership level of New CDIs by Excluded US Persons;
- provide in periodic publications and on the ASX Settlement website, an explanation of the restricted stock identifier applicable to CDIs as having restricted status under the US securities laws (and identifying what such restrictions are);
- require that ASX Participants provide that contract notes (confirmations) for the CDIs in either the Entitlement Offer or in the secondary market trading during the Distribution Compliance Period indicate that these securities are FOR Financial Products, by virtue of the stock code which would include the restricted stock identifier;
- cause the description of the CDIs on the ASX trading screens and elsewhere (e.g. Bloomberg and IRESS) to include an identifier to indicate the restrictions the CDIs are subject to under US securities laws during the Distribution Compliance Period; and
- include in the holding statement provided by ASX Settlement to investors who hold their New CDIs in the CHESSE Sponsored Sub-register (as defined below) a description of the fact that the purchaser now holds a restricted security and is subject to the offer and resale restrictions of the New CDI during the Distribution Compliance Period, which shall read 'These securities cannot be transferred to or held by US Persons that are not QIBs (each as defined under U.S. law)'.

#### **Company Procedures and Restrictions**

In addition, consistent with the ASX No Action Letter, Tamboran will adopt procedures as part of the Offer and Secondary Market Procedures to:

- ensure that all purchasers from a distributor in the Offer will make, or be deemed to have made, representations regarding their non-US Person or QIB status, as well as agreements regarding restrictions on resale and hedging under Regulation S of the US Securities Act and, where appropriate, Rule 144A;
- ensure that any certificated securities, including global securities, certificates into which global certificates may be subdivided, and any physical, certificated securities issued to holders of CDIs prior to the expiration of the Distribution Compliance Period, will bear appropriate restrictive legends, and any definitive securities that are issued during the Distribution Compliance Period, other than a transaction in compliance with Rule 144A, will satisfy the requirements of Rule 903(b)(3)(iii)(B) of Regulation S under the US Securities Act, including the legending requirement and Certification Requirement;
- ensure that any information provided by Tamboran to publishers of publicly available databases about the terms of any new issuance of CDIs offered and sold with the requirements of Regulation S of the US Securities Act and, if applicable, Rule 144A will include a statement that neither the CDIs nor the underlying Shares have been registered under the US Securities Act and are subject to restrictions under Regulation S of the US Securities Act and, if applicable, Rule 144A;
- require that any CDIs or Shares bearing the legend set forth in Rule 903(b)(3)(iii)(B)(3) of Regulation S under the US Securities Act may not be transferred by Tamboran's Share Registry or other transfer agent during the Distribution Compliance Period without a favorable opinion of counsel or other assurance that the transfer complies fully with the US Securities Act; and

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- provide notification of the Regulation S/Rule 144A of the US Securities Act status of its CDIs and underlying Shares in shareholder communications, such as annual reports, periodic interim reports and its notices of shareholder meetings during the Distribution Compliance Period.

#### ASX Participation Restrictions

As part of the Offer and Secondary Market Procedures:

- whether in the Offer or in secondary market trading during the Distribution Compliance Period, no ASX Participants may execute a transaction over the ASX in CDIs if that broker knows, or has reason to know, that the transaction has been pre-arranged with, or that the purchaser is, a person in the United States or a US Person (as both are defined in Rule 902 of Regulation S under the US Securities Act) or a person acting for the account or benefit of a US Person, in each case, unless that purchaser is a QIB in transactions complying with Rule 144A;
- in connection with any purchase of CDIs, whether in the Entitlement Offer or in secondary market trading, any ASX Participants must make all reasonable efforts to ascertain whether the purchaser is in the United States or a US Person or acting for the account or benefit of a US Person, or that the purchaser is a QIB, and implement measures designed to assure reasonable compliance with this requirement;
- the confirmation sent to each applicant in the Entitlement Offer and each purchaser of CDIs in secondary market trading across the ASX prior to the expiration of the Distribution Compliance Period, will include a confirmation or notice to the purchaser of the CDIs that the CDIs are subject to restrictions on offers, sales and resales to comply with Regulation S and Rule 144A of the US Securities Act; and
- during the Distribution Compliance Period, any information provided by Tamboran to publishers of publicly available databases, such as Bloomberg and Reuters, about the terms of the issuance of the CDIs must include a statement that the CDIs have not been registered under the US Securities Act and are subject to restrictions to comply with Regulation S and Rule 144A of the US Securities Act.

#### Legending

Tamboran operates:

- an uncertificated book-entry US register of Shares (the **Share Register**) maintained by the Share Registry;
- an uncertificated issuer sponsored sub-register of CDIs (the Issuer Sponsored Sub-register) maintained by the CDI Registry; and
- an uncertificated CHESSE sponsored sub-register of CDIs in Australia (the CHESSE Sponsored Sub-register) maintained by ASX Settlement.

The Share Register is the register of legal title of Shares. and reflects legal ownership by CHESSE Depository Nominees Pty Ltd (CDN), the depository for the CDIs, of the Shares underlying the existing and New CDIs, with the Shares held by CDN recorded on the Share Register in book-entry form.

Although the Shares will be held in uncertificated book-entry form, the legend below (the Share Legend) will be included in the holding statement provided to holders of Shares by the Share Registry and will therefore bind the holder of Shares (including CDN) unless Tamboran determines otherwise in accordance with applicable law:

“THE SECURITIES REPRESENTED HEREBY AND ANY BENEFICIAL INTERESTS THEREIN HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE “U.S. SECURITIES ACT”), OR ANY STATE SECURITIES LAWS. THE SECURITIES REPRESENTED HEREBY AND ANY BENEFICIAL INTERESTS THEREIN ARE “RESTRICTED SECURITIES” AS DEFINED UNDER RULE 144(a)(3) UNDER THE U.S. SECURITIES ACT.

THE HOLDER HEREOF, BY ACQUIRING THESE SECURITIES OR ANY BENEFICIAL INTERESTS THEREIN, AGREES FOR THE BENEFIT OF TAMBORAN RESOURCES CORPORATION (THE “COMPANY”) THAT THESE SECURITIES AND ANY BENEFICIAL INTERESTS THEREIN MAY BE OFFERED, SOLD, REOFFERED, RESOLD, PLEDGED, DELIVERED, DISTRIBUTED OR OTHERWISE TRANSFERRED, DIRECTLY OR INDIRECTLY, ONLY (I) (A) TO THE COMPANY, (B) OUTSIDE THE UNITED STATES TO PERSONS THAT ARE NOT, AND ARE NOT ACTING FOR THE ACCOUNT OR BENEFIT OF, “U.S. PERSONS” (AS DEFINED IN RULE 902(k) UNDER THE U.S. SECURITIES ACT) IN AN “OFFSHORE TRANSACTION” (AS DEFINED IN RULE 902(h) OF REGULATION S UNDER THE U.S. SECURITIES ACT) COMPLYING WITH REGULATION S (“REGULATION S”) UNDER THE U.S. SECURITIES ACT THAT IS NOT THE RESULT OF ANY “DIRECTED SELLING EFFORTS” (AS DEFINED IN RULE 902(c) OF REGULATION S UNDER THE U.S. SECURITIES ACT), (C) IN ACCORDANCE WITH ANOTHER APPLICABLE EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE U.S. SECURITIES ACT, INCLUDING, SO LONG AS THE SECURITIES REPRESENTED HEREBY AND ANY

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BENEFICIAL INTERESTS THEREIN ARE ELIGIBLE FOR RESALE PURSUANT TO RULE 144A UNDER THE U.S. SECURITIES ACT ("RULE 144A"), TO A PERSON WHO THE SELLER REASONABLY BELIEVES IS A "QUALIFIED INSTITUTIONAL BUYER" (AS DEFINED IN RULE 144A) ("QIB") PURCHASING FOR ITS OWN ACCOUNT OR THE ACCOUNT OF ONE OR MORE OTHER QIBs IN ONE OR MORE TRANSACTIONS EXEMPT FROM REGISTRATION UNDER THE U.S. SECURITIES ACT PURSUANT TO RULE 144A THEREUNDER, OR (D) IN A TRANSACTION REGISTERED UNDER THE U.S. SECURITIES ACT (WHICH IT ACKNOWLEDGES THE COMPANY IS UNDER NO OBLIGATION TO DO), AND, IN EACH CASE, IN COMPLIANCE WITH ALL APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES AND (II) IN ACCORDANCE WITH ALL APPLICABLE SECURITIES LAWS OF ANY OTHER APPLICABLE JURISDICTIONS. THE COMPANY UNDERTAKES NO OBLIGATION TO SATISFY THE REQUIREMENTS FOR ANY EXEMPTION OR SAFE HARBOR FROM THE REGISTRATION REQUIREMENTS OF THE U.S. SECURITIES ACT TO FACILITATE ANY RESALES OF THESE SECURITIES.

BENEFICIAL INTERESTS IN THE SECURITIES REPRESENTED HEREBY MAY BE HELD IN THE FORM OF CHESS DEPOSITARY INTERESTS ("CDIs"). BY ACQUIRING ANY CDIs OR ANY BENEFICIAL INTERESTS THEREIN, THE HOLDER THEREOF AGREES FOR THE BENEFIT OF THE COMPANY THAT ANY SUCH CDIs OR BENEFICIAL INTERESTS THEREIN MAY ONLY BE OFFERED, SOLD, REOFFERED, RESOLD, PLEDGED, DELIVERED, DISTRIBUTED OR OTHERWISE TRANSFERRED, DIRECTLY OR INDIRECTLY, IN ACCORDANCE WITH ANY RESTRICTIONS APPLICABLE TO TRANSFERS OF SUCH CDIs IMPOSED BY THE AUSTRALIAN SECURITIES EXCHANGE OR ANY SUCCESSOR OR REPLACEMENT SECURITIES EXCHANGE ("ASX"). PRIOR TO PERMITTING ANY TRANSFER, THE COMPANY MAY REQUEST (X) THAT THE TRANSFEROR AND/OR TRANSFEREE PROVIDE DECLARATIONS AND CERTIFICATIONS TO THE COMPANY AND THE SHARE REGISTRY IN SUCH FORM AS THE COMPANY MAY PRESCRIBE FROM TIME TO TIME, INCLUDING THAT THE TRANSFEREE IS EITHER (I) NOT A "U.S. PERSON" (AS DEFINED IN REGULATION S), IS PURCHASING THESE SECURITIES OR ANY BENEFICIAL INTERESTS THEREIN IN A TRANSACTION COMPLYING WITH REGULATION S AND IS NOT HOLDING THE SECURITIES FOR THE ACCOUNT OR BENEFIT OF ANY U.S. PERSON OR (II) IS A QIB AND IS PURCHASING THESE SECURITIES OR ANY BENEFICIAL INTEREST THEREIN FOR ITS OWN ACCOUNT OR THE ACCOUNT OF ONE OR MORE OTHER QIBs IN ONE OR MORE TRANSACTIONS EXEMPT FROM REGISTRATION UNDER THE U.S. SECURITIES ACT PURSUANT TO RULE 144A THEREUNDER (IF AVAILABLE) AND/OR (Y) THAT AN OPINION OF COUNSEL REASONABLY SATISFACTORY TO THE COMPANY BE DELIVERED TO THE COMPANY THAT SUCH TRANSFER IS TO BE EFFECTED IN A TRANSACTION MEETING THE REQUIREMENTS OF REGULATION S OR RULE 144A (IF AVAILABLE) UNDER THE U.S. SECURITIES ACT OR IS OTHERWISE EXEMPT FROM REGISTRATION UNDER THE U.S. SECURITIES ACT AND APPLICABLE STATE SECURITIES LAWS. HEDGING TRANSACTIONS INVOLVING THE SECURITIES OR ANY BENEFICIAL INTERESTS THEREIN MAY NOT BE CONDUCTED UNLESS IN COMPLIANCE WITH THE U.S. SECURITIES ACT. THE HOLDER HEREOF FURTHER AGREES THAT THE SECURITIES REPRESENTED HEREBY AND ANY SECURITIES TRANSMUTED TO CDIs WILL BE SUBJECT TO A "FOR US" DESIGNATION BY THE ASX THAT PROHIBITS THE HOLDER FROM TRANSFERRING SUCH SECURITIES OR CDIs FOR SO LONG AS ANY RESTRICTIONS APPLICABLE TO TRANSFERS OF THE CDIs IMPOSED BY THE ASX REMAIN IN PLACE AND SUCH SECURITIES (OR THE CDIs FROM WHICH THEY WERE TRANSMUTED) HAVE BEEN HELD FOR AT LEAST SIX MONTHS BY NON-AFFILIATES OF THE COMPANY AND ARE SOLD PURSUANT TO RULE 144 UNDER THE U.S. SECURITIES ACT, UNLESS THE COMPANY OTHERWISE DETERMINES TO REMOVE SUCH "FOR US" DESIGNATION FROM ITS CDIs. NO AFFILIATE (AS DEFINED IN RULE 405 OF THE U.S. SECURITIES ACT) OF THE COMPANY OR PERSON THAT HAS BEEN, IN THE IMMEDIATELY PRECEDING THREE MONTHS, AN AFFILIATE OF THE COMPANY MAY PURCHASE, OTHERWISE ACQUIRE OR HOLD THE SECURITIES OR A BENEFICIAL INTEREST THEREIN AND ANY ACQUISITION OF THE SECURITIES EVIDENCED HEREBY OR ANY BENEFICIAL INTEREST THEREIN BY SUCH AN AFFILIATE OR PERSON SHALL BE NULL AND VOID AB INITIO, PROVIDED THAT THE SECURITIES OR A BENEFICIAL INTEREST THEREIN MAY BE ACQUIRED BY SUCH AN AFFILIATE OR PERSON SO LONG AS THE ACQUIRER DOES NOT HOLD THE SECURITY OR A BENEFICIAL INTEREST THEREIN IN THE FORM OF CDIs REPRESENTING THE SECURITIES OR, IF SUCH AFFILIATE ACQUIRES ANY CDIs REPRESENTING THE SECURITIES IT IMMEDIATELY TRANSMUTES THOSE CDIs INTO SHARES OF COMMON STOCK OF THE COMPANY. THE HOLDER WILL AND EACH SUBSEQUENT HOLDER IS REQUIRED TO, NOTIFY ANY PURCHASER OF THE SECURITIES OR ANY BENEFICIAL INTERESTS THEREIN FROM IT OF THE RESALE RESTRICTIONS REFERRED TO ABOVE. AS PROVIDED IN THE BYLAWS OF THE COMPANY, THE COMPANY OR THE SHARE REGISTRAR MAY REFUSE TO REGISTER ANY TRANSFER OF THE SECURITIES OR ANY BENEFICIAL INTERESTS THEREIN NOT MADE IN ACCORDANCE WITH THE RESTRICTIONS ABOVE. THE FOREGOING RESTRICTIONS SHALL REMAIN IN PLACE UNTIL SUCH TIME AS THE COMPANY DETERMINES IT IS APPROPRIATE TO REMOVE THEM. BY ITS ACQUISITION HEREOF, OR OF A BENEFICIAL INTEREST HEREIN, THE ACQUIRER REPRESENTS THAT IT IS PERMITTED TO ACQUIRE SUCH AN INTEREST AS SET FORTH IN THIS LEGEND AND AGREES TO COMPLY WITH THE FOREGOING RESTRICTIONS."

The issuer sponsored sub-register and the CHESS Sponsored Sub-register combine to make up the register of beneficial ownership of the Shares underlying the existing and New CDIs. As CDIs represent beneficial interests in underlying Shares, holders of existing and New CDIs will also be bound by the restrictions set forth in the Share Legend during the Distribution Compliance Period to the extent they relate to their beneficial interests until Tamboran determines to remove the Share Legend, including the restriction that any CDIs transmuted from Shares will be subject to a holding lock that will prevent the holder from transferring such CDIs for so long as any restrictions applicable to transfers of the CDIs imposed by the ASX remain in place or such CDIs are 'restricted securities' as defined under Rule 144(a)(3) under the US Securities Act, unless Tamboran otherwise determines to remove such restriction designation from its CDIs. Investors should note that it is possible that the Distribution Compliance Period could be extended beyond six months, and therefore there can be no assurance that the Share Legend will ever be removed from the CDIs.

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Notice of the foregoing restrictions will be provided to investors that hold their New CDIs through the issuer sponsored sub-register and the CHESSE sponsored sub-register through the inclusion of the message 'Transfer of these securities to, and holding of these securities by, US Persons that are not QIBs (each as defined under U.S. law) is prohibited' and in the holding statement they receive from the CDI Registry and ASX Settlement, respectively. The CDI Registry will advise each new holder appearing on the issuer sponsored sub-register or the CHESSE sponsored sub-register during the Distribution Compliance Period that the Shares underlying the CDIs are subject to the restrictions set forth in that Share Legend, and that by virtue of the CDIs representing beneficial interests in those Shares that holders of the CDIs are subject to the restrictions in that Share Legend until such time as Tamboran determines it is appropriate to remove them.

During the Distribution Compliance Period no transactions in any New CDIs should can be effected through the ASX if the ASX Participant effecting the transaction knows, or has reason to know, that the sale has been pre-arranged with, or that the purchaser is, an Excluded US Person.

### **Transmutation**

If a holder of New CDIs wishes to transmute its New CDIs into Shares, it can contact the Share Registry and request that such conversion be made. However, investors should be aware that any such Shares will remain 'restricted securities' (as defined in Rule 144 under the US Securities Act) during the Distribution Compliance Period, and that a holder of such Shares will be bound by the restrictions contained in the Share Legend until such time as Tamboran determines it is appropriate to remove it. As indicated above, there can be no assurance that the Distribution Compliance Period will not be extended or, accordingly, that the Share Legend will ever be removed from such Shares.

If a holder of Shares wishes to transmute its Shares into New CDIs, it can contact the Share Registry and request that such conversion be made. However, as with the Shares, any such New CDIs will remain 'restricted securities' (as defined in Rule 144 under the US Securities Act) during the Distribution Compliance Period. Further, a holder that wishes to transmute its Shares into New CDIs during the Distribution Compliance Period must comply with the restrictions set forth in the Share Legend until it is removed by Tamboran, including the restriction that any New CDIs transmuted from Shares will be subject to a holding lock that will prevent the holder from transferring those New CDIs for so long as any restrictions applicable to transfers of the New CDIs imposed by the ASX remain in place or such New CDIs are 'restricted securities' as defined under Rule 144(a)(3) under the US Securities Act, unless Tamboran otherwise determines to remove that holding lock. As New CDIs represent beneficial interests in underlying Shares, holders of New CDIs transmuted from Shares will continue to be bound by the restrictions set forth in the Share Legend above to the extent they relate to their beneficial interests until that Share Legend is removed by Tamboran. As indicated above, there can be no assurance that the Distribution Compliance Period will not be extended or, accordingly, that the Share Legend will ever be removed from the New CDIs.

### **Restricted Securities and Affiliates**

Each affiliate of Tamboran at the time of settlement of the Offer will deliver a letter to Tamboran acknowledging and agreeing that: (a) it may not acquire any New CDIs unless it immediately submits such New CDIs to the Share Registry for transmutation into Shares bearing the Share Legend; and (b) any New CDIs transmuted from Shares will be subject to a holding lock that will prevent the holder from transferring such New CDIs for so long as any restrictions applicable to transfers of the New CDIs imposed by the ASX remain in place or such New CDIs are 'restricted securities' as defined under Rule 144(a)(3) under the Securities Act, unless Tamboran otherwise determines to remove such holding lock. In addition, any person who becomes an affiliate during the Distribution Compliance Period must also deliver a letter to Tamboran acknowledging and agreeing to the same. Any Shares or New CDIs acquired from Tamboran or its affiliates will be deemed to be 'restricted securities' (as defined in Rule 144 under the US Securities Act) unless and until they cease to be restricted securities under Rule 144. Resales of any such restricted securities must be made in accordance with Regulation S, the registration requirements of the US Securities Act or an exemption from such registration requirements and, in each case, in accordance with all applicable securities laws of the states of the United States and any other applicable jurisdictions. Subject to various conditions, including the availability of current information regarding Tamboran, applicable holding periods and volume and manner of sale restrictions, Rule 144 may be available for resales of Shares or New CDIs by affiliates of Tamboran. Such resales of Shares or New CDIs by affiliates must be conducted in accordance with the Share Legend and any other applicable laws. Such resales of New CDIs must be conducted in accordance with the Share Legend and any other applicable laws, and prior to such resale Tamboran would need to remove the holding lock on such Shares or New CDIs, which it may or may not do in its discretion.

### **On-Market Transfers in the Secondary Market**

During the Distribution Compliance Period, New CDIs may be reoffered and resold in standard (regular) way brokered transactions on the ASX where neither the seller nor any person acting on its behalf knows, or has reason to know, that the sale has been prearranged with, or that the purchaser is, a person in the United States or is, or is acting for the account or benefit of, a US Person in accordance with Regulation S, unless, in either case, that person is a QIB acquiring New CDIs in one or more transactions exempt from registration under the US Securities Act pursuant to Rule 144A thereunder (if available). Such reoffers and resales must also otherwise be conducted in compliance with the applicable Offer and Secondary Market Procedures

### **Off-Market Transfers in the Secondary Market**

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## New CDIs

It is possible to transfer New CDIs in off-market transactions outside of the ASX through the Issuer Sponsored Sub-register or the CHESSE Sponsored Sub-register, as well as between those two sub-registers. New CDIs transferred in off-market transactions outside of the ASX may only be reoffered and resold in accordance with Regulation S or Rule 144A of the US Securities Act. Off-market transfers involving the CHESSE Sponsored Sub-register are performed by ASX Participants rather than the Share Registry, and are subject to the Offer and Secondary Market Procedures applicable to ASX Participants described above. Before settling an off-market transfer that occurs on the Issuer Sponsored Sub-register, the Share Registry will require certification from the transferee of the following:

- it will be the sole registered and beneficial owner of the New CDIs that it intends to acquire;
- if it is outside the United States, it is not a US Person and is not acting for the account or benefit of, a US Person, and it is purchasing the New CDIs in an 'offshore transaction' (as defined in Rule 902(h) of Regulation S under the US Securities Act) complying with Regulation S under the US Securities Act and it is not purchasing the New CDIs as a result of any 'directed selling efforts' (as defined in Rule 902(c) of Regulation S under the US Securities Act);
- if it is in the United States or is, or is acting for the account of, a US Person, it is a QIB that is purchasing the New CDIs in one or more transactions exempt from registration under the US Securities Act pursuant to Rule 144A thereunder;
- if it is, or has been in the preceding three months, an 'affiliate' (as defined in Rule 405 of the US Securities Act) of Tamboran it has not and will not acquire any New CDIs unless it has submitted, or immediately will submit, such New CDIs to the Share Registry for transmutation into Shares;
- it understands and acknowledges that the New CDIs it wishes to acquire have not been, and will not be, registered under the US Securities Act or the securities laws of any state of the United States, and are 'restricted securities' (as defined in Rule 144 under the US Securities Act) and Tamboran undertakes no obligation to satisfy the requirements for any exemption or safe harbor from the registration requirements of the US Securities Act to facilitate any resales of the New CDIs, and the New CDIs may not be offered, sold, pledged or otherwise transferred by such purchaser except: (i) to Tamboran; (ii) in an 'offshore transaction' (as defined in Rule 902(h) of Regulation S under the US Securities Act) complying with Regulation S under the US Securities Act; (iii) pursuant to an effective registration statement under the US Securities Act (which Tamboran has no obligation to prepare or file); or (iv) pursuant to an exemption from the registration requirements of the US Securities Act, and in each case, in accordance with all applicable securities laws of the states of the United States and any other applicable jurisdictions;
- notwithstanding the foregoing bullet, it understands and acknowledges that during the Distribution Compliance Period, the New CDIs may only be reoffered and resold either (i) in an 'offshore transaction' (as defined in Rule 902(h) of Regulation S under the US Securities Act) complying with Regulation S under the US Securities Act; or (ii) in a transaction exempt from registration under the US Securities Act pursuant to Rule 144A thereunder, and in each case, in accordance with all applicable securities laws of the states of the United States and any other applicable jurisdictions;
- Tamboran may refuse to register any transfer of the New CDIs not made in accordance with the provisions of Regulation S of the US Securities Act, pursuant to registration under the US Securities Act, or pursuant to an available exemption from registration and, in each case, in accordance with all applicable securities laws of the states of the United States and any other applicable jurisdictions;
- that during the Distribution Compliance Period it will not enter into any hedging transactions involving the New CDIs, directly or indirectly, unless in compliance with the US Securities Act;
- it agrees to, and each subsequent holder is required to, notify any transferee of the New CDIs from it of the resale restrictions referred to above, if then applicable (recognising that the Offer Procedures provide for this to be done automatically for New CDIs transferred over the ASX);
- it acknowledges that, prior to any proposed transfer of New CDIs other than pursuant to an effective registration statement, it will be required to provide certifications and other documentation relating to its ability to transfer New CDIs in compliance with the restrictions set forth above, including (if applicable) that the transferee is not in the United States and is not a US Person or acting for the account or benefit of a US Person, unless, in each case, it is a QIB that is purchasing the New CDIs in one or more transactions exempt from registration under the US Securities Act pursuant to Rule 144A thereunder (if available);
- it understands and acknowledges that during the Distribution Compliance Period Tamboran is not obligated to file with the SEC or with any state securities regulatory authority any registration statement in respect of registering any offers, sales, reoffers or resales of the New CDIs under the US Securities Act;

- it acknowledges that during the Distribution Compliance Period the Shares underlying the New CDIs will bear the Share Legend unless Tamboran determines otherwise in compliance with applicable law; and
- it acknowledges that Tamboran and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and warranties and agrees that if any such acknowledgement, representation or warranty deemed to have been made by virtue of its purchase of New CDIs is no longer accurate, it will promptly notify Tamboran.

## Shares

Currently, there is no trading market for the Shares. However, it is possible to transfer Shares through the Share Register. Shares transferred through the Share Register may only be reoffered and resold where neither the seller nor any person acting on its behalf knows, or has reason to know, that the sale has been prearranged with, or that the purchaser is, a person in the United States or is, or is acting for the account or benefit of, a US Person, in accordance with Regulation S of the US Securities Act, unless, in either case, that person is a QIB that is purchasing the Shares in one or more transactions exempt from registration under the US Securities Act pursuant to Rule 144A thereunder. Before settling such a transfer, the Share Registry will require certification from the transferee of the following:

- it will be the sole registered and beneficial owner of the Shares that it intends to acquire;
- if it is outside the United States, it is not a US Person and is not acting for the account or benefit of a US Person, and it is purchasing the Shares in an 'offshore transaction' (as defined in Rule 902(h) of Regulation S under the US Securities Act) complying with Regulation S under the Securities Act and it is not purchasing the Shares as a result of any 'directed selling efforts' (as defined in Rule 902(c) of Regulation S under the US Securities Act);
- if it is in the United States or is, or is acting for the account of, a US Person, it is a QIB and is purchasing the Shares in one or more transactions exempt from registration under the US Securities Act pursuant to Rule 144A thereunder;
- if it is, or has been in the preceding three months, an 'affiliate' (as defined in Rule 405 of the US Securities Act) of Tamboran it has not and will not acquire any New CDIs unless it has submitted, or immediately will submit, such New CDIs to the Share Registry for transmutation into Shares;
- it understands and acknowledges that the Shares that it wishes to acquire have not been, and will not be, registered under the US Securities Act or the securities laws of any state of the United States, and are 'restricted securities' within the meaning of Rule 144 under the US Securities Act and Tamboran undertakes no obligation to satisfy the requirements for any exemption or safe harbor from the registration requirements of the US Securities Act to facilitate any resales of the Shares, and the Shares may not be offered, sold, pledged or otherwise transferred by such purchaser except: (i) to Tamboran; (ii) in an 'offshore transaction' (as defined in Rule 902(h) of Regulation S under the US Securities Act) complying with Regulation S under the US Securities Act; (iii) pursuant to an effective registration statement under the US Securities Act (which Tamboran has no obligation to prepare or file); or (iv) pursuant to an exemption from the registration requirements of the US Securities Act, and in each case, in accordance with all applicable securities laws of the states of the United States and any other applicable jurisdictions;
- Tamboran may refuse to register any transfer of the Shares not made in accordance with the provisions of Regulation S of the US Securities Act, pursuant to registration under the US Securities Act, or pursuant to an available exemption from registration and, in each case, in accordance with all applicable securities laws of the states of the United States and any other applicable jurisdictions;
- that during the Distribution Compliance Period it will not enter into any hedging transactions involving the Shares, directly or indirectly, unless in compliance with the US Securities Act;
- it agrees to, and each subsequent holder is required to, notify any purchaser of the Shares from it of the resale restrictions referred to above, if then applicable;
- it acknowledges that, prior to any proposed transfer of Shares other than pursuant to an effective registration statement, the transferee of Shares will be required to provide certifications and other documentation relating to its ability to transfer Shares in compliance with the restrictions set forth above, including (if applicable) that the transferee is not in the United States and is not a US Person (as both are defined in Rule 902 of Regulation S under the US Securities Act) or acting for the account or benefit of a US Person, unless, in either case, it is a QIB that is purchasing the Shares in one or more transactions exempt from registration under the US Securities Act pursuant to Rule 144A thereunder (if available);

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- it understands and acknowledges that during the Distribution Compliance Period Tamboran is not obligated to file with the SEC or with any state securities regulatory authority any registration statement in respect of registering any offers, sales, reoffers or resales of the Shares under the US Securities Act;
- it acknowledges that during the Distribution Compliance Period the Shares will bear the Share Legend unless Tamboran determines otherwise in compliance with applicable law; and
- it acknowledges that Tamboran and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and warranties and agrees that if any such acknowledgement, representation or warranty deemed to have been made by virtue of its purchase of Shares is no longer accurate, it shall promptly notify Tamboran.

#### **Possible Extension of Distribution Compliance Period**

Due to the nature of the ASX trading system, the restricted stock identifier and associated transfer restrictions will remain on the New CDIs during the Distribution Compliance Period, which is expected to last until six months after settlement of the Offer. The New CDIs will no longer bear such restricted stock identifier and associated transfer restrictions after the Distribution Compliance Period ends, subject to approval by the ASX and delivery of certain opinions and unless required by applicable law. Tamboran can provide no assurance that the ASX will approve such removal or that Tamboran will be able to deliver or obtain any required certificates or opinion to effectuate such removal. If that is the case, the restrictions imposed during the Distribution Compliance Period will continue indefinitely.

In addition, the Distribution Compliance Period may restart if, among other reasons, Tamboran determines to issue additional CDIs, or following the Offer an affiliate of Tamboran sells CDIs pursuant to Regulation S of the US Securities Act. If this were to occur, the Distribution Compliance Period would restart as at the date of such offer and sale of such additional CDIs. Any such extension or continuation of the Distribution Compliance Period could have an adverse effect on your ability to resell the New CDIs or the liquidity of, or trading price for, the New CDIs on the ASX.

Once the Distribution Compliance Period has expired and the restricted stock identifier has been removed, the New CDIs and the underlying Shares could be offered, sold and resold to investors in the United States in transactions registered under the US Securities Act or pursuant to certain exemptions from the registration requirements of the US Securities Act.

#### **Representations of Applicants Acquiring New CDIs under the Offer**

Each applicant acquiring New CDIs under the Offer will be deemed to have represented, warranted and agreed as detailed in the confirmation letter or Retail Offer Booklet, as applicable, provided to that applicant.

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