
TALON ENERGY LTD

ACN 153 229 086

NOTICE OF GENERAL MEETING

Notice is given that the Meeting will be held at:

TIME: 11:00am (AWST)

DATE: Monday 18 July 2022

PLACE: 1202 Hay Street, West Perth 6005

The business of the Meeting affects your shareholding and your vote is important.

This Notice of Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered Shareholders at 11:00 am (AWST) on Saturday 16 July 2022.

BUSINESS OF THE MEETING

AGENDA

1. RESOLUTION 1 – RATIFICATION OF PRIOR ISSUE OF SHARES – LISTING RULE 7.1

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 953,568,429 Shares on the terms and conditions set out in the Explanatory Statement.”

A voting exclusion statement applies to this Resolution. Please see below.

2. RESOLUTION 2 – RATIFICATION OF PRIOR ISSUE OF SHARES – LISTING RULE 7.1A

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 396,681,571 Shares on the terms and conditions set out in the Explanatory Statement.”

A voting exclusion statement applies to this Resolution. Please see below.

3. RESOLUTION 3 – CONSOLIDATION OF CAPITAL

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, pursuant to section 254H of the Corporations Act and for all other purposes, with effect from the next business day following the date on which this resolution is passed, the issued capital of the Company be consolidated on the basis that:

- (a) every twenty (20) Shares be consolidated into one (1) Share;
- (b) every twenty (20) Options be consolidated into one (1) Option; and
- (c) every twenty (20) Performance Rights be consolidated into one (1) Performance Right,

and, where this Consolidation results in a fraction of a Security being held, the Company be authorised to round that fraction up to the nearest whole number.”

4. RESOLUTION 4 – ISSUE OF SHARES TO RELATED PARTY – COLBY HAUSER

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purposes of Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue up to 937,500 (on a post-consolidation basis) Shares to Mr Colby Hauser (or his nominee) on the terms and conditions set out in the Explanatory Statement.”

A voting exclusion statement applies to this Resolution. Please see below.

5. RESOLUTION 5 – ISSUE OF SHARES TO RELATED PARTY – DAVID CASEY

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purposes of Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue up to 300,000 (on a post-consolidation basis) Shares to Mr David Casey (or his nominee) on the terms and conditions set out in the Explanatory Statement.”

A voting exclusion statement applies to this Resolution. Please see below.

Dated: 15 June 2022

By order of the Board

David Lim
Company Secretary

Voting Exclusion Statements

Resolution 1 – Ratification of prior issue of Shares	A person who participated in the issue or is a counterparty to the agreement being approved (namely the Placement Participants) or an associate of that person or those persons.
Resolution 2 – Ratification of prior issue of Shares	A person who participated in the issue or is a counterparty to the agreement being approved (namely the Placement Participants) or an associate of that person or those persons.
Resolution 4 – Issue of Shares to Related Party – Colby Hauser	Mr Colby Hauser (or his nominee) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person or those persons.
Resolution 5 – Issue of Shares to Related Party – David Casey	Mr David Casey (or his nominee) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person or those persons.

However, this does not apply to a vote cast in favour of the Resolution by:

- (a) a person as a proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the directions given to the proxy or attorney to vote on the Resolution in that way; or
- (b) the Chair as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
 - (ii) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Voting by proxy

To vote by proxy, please complete and sign the enclosed Proxy Form and return by the time and in accordance with the instructions set out on the Proxy Form.

In accordance with section 249L of the Corporations Act, Shareholders are advised that:

- each Shareholder has a right to appoint a proxy;
- the proxy need not be a Shareholder of the Company; and
- a Shareholder who is entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the member appoints two proxies and the appointment does not specify the proportion or number of the member's votes, then in accordance with section 249X(3) of the Corporations Act, each proxy may exercise one-half of the votes.

Shareholders and their proxies should be aware that:

- if proxy holders vote, they must cast all directed proxies as directed; and
- any directed proxies which are not voted will automatically default to the Chair, who must vote the proxies as directed.

Voting in person

To vote in person, attend the Meeting at the time, date and place set out above.

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on +61 8 6319 1900.

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions.

1. BACKGROUND TO THE PLACEMENT

1.1 Background

As announced on 29 April 2022, the Company received firm commitments to raise approximately \$11 million through a placement to sophisticated and professional investors of 1,350,250,000 fully paid ordinary shares in the capital of the Company (**Shares**) at an issue price of \$0.008 per Share (**Placement Shares**) (**Placement**). The Placement Shares were issued as follows:

- (a) 110,750,000 Placement Shares were issued on 5 May 2022;
- (b) 1,227,500,000 Placement Shares were issued on 6 May 2022; and
- (c) 12,000,000 Placement Shares were issued on 16 May 2022.

The Company engaged the services of Canaccord Genuity (Australia) Limited (ACN 075 071 466) and Chieftain Securities (WA) Pty Ltd (ACN 646 527 915) (together, **Joint Lead Managers**), to act as joint lead managers for the issue of the Placement Shares. The Company agreed to pay the Joint Lead Managers a cash fee of \$648,120 (being, 6% of the amount raised under the issue of the Placement Shares). Please refer to Schedule 1 for a summary of the agreement pursuant to which the Company has engaged the Joint Managers (**Joint Lead Managers Mandate**).

1.2 Purpose of the Placement

The Company intends to apply the funds raised under the Placement as follows:

- (a) to fund ongoing exploration and evaluation activities at the Company's Perth Basin and Mongolian interests; and
 - (b) for general working capital purposes,
- (together, the **Placement Funding Purposes**).

For further details in respect of the Placement, refer to the Announcement released by the Company on the ASX's Market Announcement Platform on 29 April 2022 titled "Successful \$11M Placement and notice of Share Purchase Plan".

2. RESOLUTIONS 1 AND 2 – RATIFICATION OF PRIOR ISSUE OF SHARES - LISTING RULES 7.1 AND 7.1A

2.1 General

The background to the Placement is set out above in Section 1.1.

Under the Placement, 953,568,429 Shares were issued pursuant to the Company's capacity under Listing Rule 7.1 (being, the subject of Resolution 1) and 396,681,571 Shares were issued pursuant to the Company's 7.1A mandate which was approved by Shareholders at the annual general meeting held on 28 May 2021.

2.2 Listing Rules 7.1 and 7.1A

Broadly speaking, and subject to a number of exceptions, Listing Rule 7.1 limits the amount of equity securities that a listed company can issue, or agree to issue, without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary securities it had on issue at the start of that 12 month period.

Under Listing Rule 7.1A however, an eligible entity can seek approval from its members, by way of a special resolution passed at its annual general meeting, to increase this 15% limit by an extra 10% to 25%.

The Company obtained approval to increase its limit to 25% at the annual general meeting held on 28 May 2021.

The issue of the Placement Shares does not fit within any of the exceptions set out in Listing Rule 7.2 and, as it has not yet been approved by Shareholders, it effectively uses up part of the 25% limit in Listing Rules 7.1 and 7.1A, reducing the Company's capacity to issue further equity securities without Shareholder approval under Listing Rule 7.1 and 7.1A for the 12 month period following the date of issue of the Placement Shares.

2.3 Listing Rule 7.4

Listing Rule 7.4 allows the shareholders of a listed company to approve an issue of equity securities after it has been made or agreed to be made. If they do, the issue is taken to have been approved under Listing Rule 7.1 and so does not reduce the company's capacity to issue further equity securities without shareholder approval under that rule.

The Company wishes to retain as much flexibility as possible to issue additional equity securities in the future without having to obtain Shareholder approval for such issues under Listing Rule 7.1. Accordingly, the Company is seeking Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the Placement Shares.

Resolutions 1 and 2 seek Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the Placement Shares.

2.4 Technical information required by Listing Rule 14.1A

If Resolutions 1 and 2 are passed, the Placement Shares will be excluded in calculating the Company's combined 25% limit in Listing Rules 7.1 and 7.1A, effectively increasing the number of equity securities the Company can issue without Shareholder approval over the 12 month period following the dates of issue of the Placement Shares.

If Resolutions 1 and 2 are not passed, the Placement Shares will be included in calculating the Company's combined 25% limit in Listing Rules 7.1 and 7.1A, effectively decreasing the number of equity securities the Company can issue without Shareholder approval over the 12 month period following the dates of issue of the Placement Shares.

2.5 Technical information required by Listing Rule 7.5

Pursuant to and in accordance with Listing Rule 7.5, the following information is provided in relation to Resolutions 1 and 2:

- (a) the Placement Shares were issued to professional and sophisticated investors who are clients of the Joint Lead Managers. The recipients were identified through a bookbuild process, which involved Joint Lead Managers seeking expressions of interest to participate in the capital raising from non-related parties of the Company;
- (b) in accordance with paragraph 7.4 of ASX Guidance Note 21, the Company confirms that none of the recipients were:

- (i) related parties of the Company, members of the Company's Key Management Personnel, substantial holders of the Company, advisers of the Company or an associate of any of these parties; and
 - (ii) issued more than 1% of the issued capital of the Company;
- (c) 1,350,250,000 Placement Shares were issued on the following basis:
 - (i) 953,568,429 Shares issued pursuant to Listing Rule 7.1 (ratification of which is sought under Resolution 1); and
 - (ii) 396,681,571 Shares issued pursuant to Listing Rule 7.1A (ratification of which is sought under Resolution 2);
- (d) the Placement Shares issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (e) the Placement Shares were issued as follows:
 - (i) 110,750,000 Placement Shares were issued on 5 May 2022;
 - (ii) 1,227,500,000 Placement Shares were issued on 6 May 2022; and
 - (iii) 12,000,000 Placement Shares were issued on 16 May 2022.
- (f) the issue price was \$0.008 per Placement Shares under both the issue of Shares pursuant to Listing Rule 7.1 and Listing Rule 7.1A. The Company has not and will not receive any other consideration for the issue of the Placement Shares;
- (g) the purpose of the issue of the Placement Shares was to raise approximately \$11,000,000, which will be applied towards the Placement Funding Purposes; and
- (h) the Placement Shares were not issued under an agreement (other than the Placement).

3. RESOLUTION 3 – CONSOLIDATION OF CAPITAL

3.1 Background

Resolution 3 seeks Shareholder approval to consolidate the Company's issued capital on the basis that:

- (a) every 20 Shares be consolidated into 1 Share (subject to rounding);
- (b) every 20 Options be consolidated into 1 Option (subject to rounding); and
- (c) every 20 Performance Rights be consolidated into 1 Performance Right (subject to rounding),

(Consolidation).

3.2 Legal requirements

Section 254H of the Corporations Act provides that a company may, by resolution passed in a general meeting, convert all or any of its shares into a larger or smaller number.

3.3 Fractional entitlements

Not all security holders will hold that number of Securities which can be evenly divided by 20. Fractional entitlements will be rounded up to the nearest whole number.

3.4 Taxation

It is not considered that any taxation implications will exist for security holders arising from the Consolidation. However, security holders are advised to seek their own tax advice on the effect of the Consolidation and neither the Company, nor its advisers, accept any responsibility for the individual taxation implications arising from the Consolidation.

3.5 Holding statements

From the date two Business Days after the Effective Date (as set out in the timetable in Section 3.7 below), all holding statements for Securities will cease to have any effect, except as evidence of entitlement to a certain number of Securities on a pre-Consolidation basis.

After the Consolidation becomes effective, the Company will arrange for new holding statements for Securities to be issued to holders of those Securities.

It is the responsibility of each security holder to check the number of Securities held prior to disposal or exercise (as the case may be).

3.6 Effect on capital structure

The effect which the Consolidation will have on the Company's capital structure is set out in the table below.

	Shares ¹	Unlisted Options ²	Performance Rights
Pre-Consolidation	8,713,039,525	359,000,000	228,250,000
Issue of Shares to Related Parties on Post Consolidation Basis (Resolutions 4 and 5) ²	1,237,500	Nil	Nil
Completion of all Resolutions³	436,889,476	17,950,000	11,412,500

Notes:

1. Fully paid ordinary shares in the capital of the Company (as at 27 May 2022).
2. The terms of these Options are set out in the table below.
3. Assuming that no Options are exercised and subject to rounding.

The effect the Consolidation will have on the terms of the Options is as set out in the tables below:

Options – pre-Consolidation

Terms	Number
Options exercisable at \$0.01 by 5 May 2025	100,000,000
Options exercisable at \$0.006 by 28 February 2024	259,000,000
Total	359,000,000

Options – post-Consolidation

Terms	Number
Options exercisable at \$0.20 by 5 May 2025	5,000,000
Options exercisable at \$0.12 by 28 February 2024	12,950,000
Total	17,950,000

3.7 Indicative timetable

If Resolution 3 is passed, the Consolidation will take effect in accordance with the following timetable (as set out in Appendix 7A (paragraph 7) of the Listing Rules):

Action	Date
Company announces Consolidation.	16 June 2022
Company sends out the Notice of Meeting	16 June 2022
Shareholders pass Resolution 3 to approve the Consolidation.	18 July 2022
Company announces Effective Date of Consolidation.	18 July 2022
Effective Date of Consolidation	19 July 2022
Last day for pre-Consolidation trading.	20 July 2022
Post-Consolidation trading commences on a deferred settlement basis.	21 July 2022
Record Date.	22 July 2022
Last day for the Company to register transfers on a pre-Consolidation basis.	22 July 2022
First day for the Company to update its register and send holding statements to security holders reflecting the change in the number of Securities they hold.	25 July 2022
Last day for the Company to update its register and to send holding statements to security holders reflecting the change in the number of Securities they hold and to notify ASX that this has occurred.	29 July 2022

4. RESOLUTIONS 4 AND 5 – ISSUE OF SHARES TO RELATED PARTIES – COLBY HAUSER AND DAVID CASEY

4.1 General

As set out in Section 1.1 above, the Company recently completed the private Placement and issued the Placement Shares.

The Company's directors, Messrs Colby Hauser and David Casey (**Participation Directors**), wish to participate in the Placement on the same terms as unrelated participants in the Placement (**Participation**).

Accordingly, Resolutions 4 and 5 seeks Shareholder approval for the issue of 1,237,500 (on a post-consolidation basis) Shares to the Participation Directors (or their nominees) comprising of:

- (a) 937,500 (on a post-consolidation basis) Shares to Colby Hauser (or his nominee) pursuant to Resolution 4; and
- (b) 300,000 (on a post-consolidation basis) Shares to David Casey (or his nominee) pursuant to Resolution 5,

as a result of the Participation on the terms set out below.

4.2 Chapter 2E of the Corporations Act

For a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

- (a) obtain the approval of the public company's members in the manner set out in sections 217 to 227 of the Corporations Act; and
- (b) give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act.

The Participation will result in the issue of Shares which constitutes giving a financial benefit and the Participation Directors, are related parties of the Company by virtue of being Directors of the Company.

The Directors (other than Participation Directors who have a material personal interest in the Resolution) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the Participation because the Shares will be issued to Participation Directors (or their nominees) on the same terms as Shares issued to non-related party participants in the Capital Raising and as such the giving of the financial benefit is on arm's length terms.

4.3 Listing Rule 10.11

Listing Rule 10.11 provides that unless one of the exceptions in Listing Rule 10.12 applies, a listed company must not issue or agree to issue equity securities to:

- 10.11.1 a related party;
- 10.11.2 a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (30%+) holder in the company;
- 10.11.3 a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (10%+) holder in the company and who has nominated a director to the board of the company pursuant to a relevant agreement which gives them a right or expectation to do so;
- 10.11.4 an associate of a person referred to in Listing Rules 10.11.1 to 10.11.3; or
- 10.11.5 a person whose relationship with the company or a person referred to in Listing Rules 10.11.1 to 10.11.4 is such that, in ASX's opinion, the issue or agreement should be approved by its shareholders,

unless it obtains the approval of its shareholders.

The Participation falls within Listing Rule 10.11.1 and does not fall within any of the exceptions in Listing Rule 10.12. It therefore requires the approval of Shareholders under Listing Rule 10.11.

Resolutions 4 and 5 seek Shareholder approval for the Participation under and for the purposes of Listing Rule 10.11.

4.4 Technical information required by Listing Rule 14.1A

If Resolutions 4 and 5 are passed, the Company will be able to proceed with the issue of the Shares under the Participation within one month after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the Listing Rules) and will raise additional funds which will be used in the manner set out in Section 1.1 above. As approval pursuant to Listing Rule 7.1 is not required for the issue of the Shares in respect of the Participation (because approval is being obtained under Listing Rule 10.11), the issue of the Shares will not use up any of the Company's 15% annual placement capacity.

If Resolutions 4 and 5 are not passed, the Company will not be able to proceed with the issue of the Shares under the Participation and no further funds will be raised in respect of the Placement.

4.5 Technical Information required by Listing Rule 10.13

Pursuant to and in accordance with Listing Rule 10.13, the following information is provided in relation to Resolutions 4 and 5:

- (a) the Shares will be issued to the Participation Directors (or their nominees), who fall within the category set out in Listing Rule 10.11.1, as the Participation Directors are a related parties of the Company by virtue of being Directors of the Company;
- (b) the maximum number of Shares to be issued to the Participation Directors (or their nominees) is 1,650,000 comprising of the following:
 - (i) 937,500 (on a post-consolidation basis) Shares to Colby Hauser (or his nominee) pursuant to Resolution 4; and
 - (ii) 300,000 (on a post-consolidation basis) Shares to David Casey (or his nominee) pursuant to Resolution 5,
- (c) the Shares issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (d) the Shares will be issued no later than 1 month after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules) and it is anticipated the Shares will be issued on the same date;
- (e) the issue price will be \$0.16 per Share (on a post Consolidation basis), being the same issue price as Shares issued to other participants in the Capital Raising. The Company will not receive any other consideration for the issue of the Shares;
- (f) the purpose of the issue of Shares under the Participation is to raise capital, which the Company intends to use for the Placement Funding Purposes;
- (g) the Shares to be issued under the Participation are not intended to remunerate or incentivise the Director;
- (h) the Shares are not being issued under an agreement; and
- (i) a voting exclusion statements is included in Resolutions 4 and 5 of the Notice.

GLOSSARY

\$ means Australian dollars.

ASIC means the Australian Securities & Investments Commission.

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

Board means the current board of directors of the Company.

Business Day means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day, and any other day that ASX declares is not a business day.

Chair means the chair of the Meeting.

Closely Related Party of a member of the Key Management Personnel means:

- (a) a spouse or child of the member;
- (b) a child of the member's spouse;
- (c) a dependent of the member or the member's spouse;
- (d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealing with the entity;
- (e) a company the member controls; or
- (f) a person prescribed by the Corporations Regulations 2001 (Cth) for the purposes of the definition of 'closely related party' in the Corporations Act.

Company means Talon Energy Ltd (ACN 153 229 086).

Consolidation has the meaning given in Section 3.1.

Constitution means the Company's constitution.

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

Directors means the current directors of the Company.

Equity Securities includes a Share, a right to a Share or Option, an Option, a convertible security and any security that ASX decides to classify as an Equity Security.

Explanatory Statement means the explanatory statement accompanying the Notice.

Joint Lead Managers has the meaning set out in Section 1.1.

Key Management Personnel has the same meaning as in the accounting standards issued by the Australian Accounting Standards Board and means those persons having authority and responsibility for planning, directing and controlling the activities of the Company, or if the Company is part of a consolidated entity, of the consolidated entity, directly or indirectly, including any director (whether executive or otherwise) of the Company, or if the Company is part of a consolidated entity, of an entity within the consolidated group.

Listing Rules means the Listing Rules of ASX.

Material Person means a related party of the Company, member of the Company's Key Management Personnel, substantial holder of the Company, adviser of the Company or an associate of any of these parties.

Notice or **Notice of Meeting** means this notice of meeting including the Explanatory Statement and the Proxy Form.

Option means an option to acquire a Share.

Participation has the meaning given in Section 4.1.

Participation Directors has the meaning given in Section 4.1.

Performance Right means a right to acquire a Share, subject to satisfaction of any vesting conditions.

Placement has the meaning given in Section 1.1.

Placement Funding Purposes has the meaning given in Section 1.2.

Placement Shares has the meaning given in Section 1.1.

Proxy Form means the proxy form accompanying the Notice.

Resolutions means the resolutions set out in the Notice, or any one of them, as the context requires.

Section means a section of the Explanatory Statement.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a registered holder of a Share.

AWST means Western Standard Time as observed in Perth, Western Australia.

SCHEDULE 1 – SUMMARY OF JOINT LEAD MANAGER MANDATE

Canaccord Genuity (Australia) Limited (**Canaccord**) and Chieftain Securities WA Pty Ltd (**JLMs**) appointed as exclusive Joint Lead Manager for a Placement and Share Purchase Plan by Talon Energy Ltd, targeting \$11,000,000 of new funds through a Placement to sophisticated investors and \$4,000,000 through the non-underwritten Share Purchase Plan for eligible Shareholders (**Offer**).

JLMs to be paid a fee of 6% of gross proceeds raised under the Placement (excluding participation by Talon Energy Ltd Directors), and 2% for gross proceeds raised under the Share Purchase Plan.

JLMs to take reasonable steps to ensure that the Offer securities are only offered to persons outside of Australia, to whom the Offer can lawfully be made without the need for any registration.

JLMs to comply with all applicable laws in providing the services under the Joint Lead Manager Mandate.

JLM liability is several and not joint and several.

Mandate not to constitute an underwriting offer.

Canaccord to act as the Company's agent for CHESS DvP settlement process.

JLMs granted a first right of refusal for subsequent equity offers for a period of 12 months from the Offer being completed.