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TIGERS REALM COAL
ACN 146 752 561 LIMITED

18 December 2019

Tigers Realm Coal Limited - Cleansing Notice under section 708AA(2)(f) of the Corporations Act 2001 (Cth)

This notice is given by Tigers Realm Coal Limited ACN 146 752 561 (ASX Code: TIG) (**TIG** or the **Company**) under section 708AA(2)(f) of the *Corporations Act 2001* (Cth), as modified by ASIC Corporations Instrument 2016/84 (**Corporations Act**).

The Company has today announced a 13 for 4 accelerated renounceable entitlement offer of fully paid TIG ordinary shares (**New Shares**) at an offer price of A$0.01 per New Share (**Offer Price**) to raise up to US$40 million (**Entitlement Offer**).

The Entitlement Offer will be open to all registered shareholders who hold shares on the Record Date with a registered address in Australia, New Zealand, or certain other foreign jurisdictions determined by the Directors of TIG (as described in the "Selling Restrictions" section of the Investor Presentation released to ASX at the same time as this announcement) (**Eligible Shareholders**). Shareholders who are not Eligible Shareholders are Ineligible Shareholders.

Under the Entitlement Offer, Eligible Shareholders may subscribe for 13 New Shares for every 4 existing TIG shares held on the Record Date of 5:00pm on 20 December 2019.

Tigers Realm Coal confirms the following:

1. The New Shares will be offered without disclosure to investors under Part 6D.2 of the Corporations Act.

2. TIG is providing this notice under section 708AA(2)(f) of the Corporations Act as modified by ASIC.

3. As at the date of this notice, TIG has complied with:

    (a) the provisions of Chapter 2M as they apply to TIG; and

    (b) section 674 of the Corporations Act.

4. As at the date of this notice, there is no excluded information of the type referred to in sections 708AA(8) and 708AA(9) of the Corporations Act that is required to be set out in this notice under section 708AA(7) of the Corporations Act.

5. The potential effect that the Entitlement Offer will have on the control of TIG (and the consequences of that effect) will depend on a number of factors, including the extent to which Eligible Shareholders take up their entitlement to New Shares under the Entitlement Offer and the extent to which Eligible Shareholders participate in the bookbuild of shortfall shares under the Entitlement Offer (**Shortfall Bookbuild**).

    (a) The major shareholders of TIG, being Bruce Nathaniel Gray (and related entities) (**BG**), BV Mining Holding Limited (**BV**), RDIF Investment Management (**RDIF**) (each a **Major Shareholder**) currently hold voting power in TIG of 22.56%, 31.22% and 14.42% respectively.

    (b) Each of the Major Shareholders have committed to fully subscribe for their respective entitlements under the Entitlement Offer. If all other Eligible Shareholders take up their full entitlement under the Entitlement Offer, then the Entitlement Offer will have no effect on the control of TIG. To the extent that an Eligible Shareholder fails to take up their full entitlement or they are Ineligible Shareholders, their percentage holding in TIG will be diluted.

    (c) Each of the Major Shareholders will also be invited to participate in the Shortfall Bookbuild, subject to

the operation of TIG's allocation policy (**Allocation Policy**).

(d) The Allocation Policy will mitigate the control effects, if any, of the Major Shareholders participation in the Shortfall Bookbuild as follows:

(i) retail shareholders' elections for additional shares under the terms of the Entitlement Offer will be allocated first;

(ii) institutional investors (other than the Major Shareholders) and new investors' bids will be allocated next (should any shortfall remain after retail allocations);

(iii) Major Shareholders will be allocated any shortfall last, subject to obtaining all required shareholder approvals for the purposes of ASX Listing Rules, the Corporations Act and the *Foreign Acquisitions and Takeovers Act 2015* (Cth). TIG will promptly use all reasonable endeavours to seek that shareholder approval following completion of the Shortfall Bookbuild. Shares allocated to such applicants will not be issued unless and until such approval is received.

(e) Assuming the Major Shareholders subscribe for their respective entitlements pursuant to their binding pre-commitments and no other Eligible Shareholder subscribes for New Shares under the Entitlement Offer, then there is a potential shortfall of 31.79% of the proposed issuance (being 1,842,845,171 shares). Set out below is an illustration of the potential impact on the respective voting power of each Major Shareholder under the scenarios described below. TIG believes that these scenarios are unlikely as they assume no other shareholder subscribes for its entitlement and no other shareholder elects to participate in the Bookbuild. In the event any other shareholder subscribes for its entitlement and elects to participate in the shortfall, then the Allocation Policy described above will operate to ensure that such shareholder is able to take up its shortfall allocation in full in priority to the Major Shareholders. For this reason, the Company considers the scenarios below, and in particular the dilutionary impact on the other shareholders, highly unlikely.

Shareholder	**Current voting power**	**Voting power post Entitlement Offer if there is a shortfall of 31.79% under the Entitlement Offer and:**		
		100% of the shortfall is acquired by new institutional shareholders (but no Major Shareholder)	– 50% of the shortfall is acquired by new institutional investors – 50% of the shortfall is acquired by the Major Shareholders (on a pro rata basis and subject to shareholder approval)	100% of the shortfall is taken up by Major Shareholders (on a pro rata basis and subject to shareholder approval)
BG	22.56%	22.56%	26.58%	30.60%
BV	31.22%	31.22%	36.78%	42.34%
RDIF	14.42%	14.42%	16.99%	19.56%
Other shareholders	33.18%	7.88%	7.88%	7.88%

IMPORTANT INFORMATION

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