ASX Release
29 October 2026

ASX:TLG

Non-compliance with ASX Listing Rule 7.1

Talga Group Ltd ("Talga" or "the Company") advises of a technical non-compliance of Listing Rule 7.1 arising from its capital raising announced on 10 December 2025 (Capital Raising). The oversight in placement capacity was inadvertent and arose in the context of strong demand and acceptance of oversubscriptions under the Share Purchase Plan related to the Capital Raising.

Circumstances

On 10 December 2025, Talga announced that it was undertaking the Capital Raising, comprised of a placement of new shares to institutional and sophisticated investors (Placement Shares) to raise $14.5 million (before costs) (Placement), an offer to eligible Shareholders to apply for up to $30,000 worth of new Shares (SPP Shares) with a target raise of an additional $5 million (before costs) (SPP), and an issue of one free-attaching unquoted Option (Attaching Option) for every two new Shares subscribed under the Placement and SPP. Each Attaching Option, on exercise, converts into one fully paid ordinary share and one free unlisted option (Piggyback Option).

Prior to announcement of the Capital Raising, the Company (in consultation with its external legal advisors) undertook calculations for the purposes of Listing Rule 7.1 and Listing Rule 7.1A, in order to verify that Talga had available sufficient placement capacity. At the time of announcing the Capital Raising, the Company had nil placement capacity remaining under Listing Rule 7.1 once the Capital Raising proceeded as described above.

The SPP closed on 23 January 2026 (extended from 5 January 2026) and following strong demand, the Board agreed to accept oversubscriptions under the SPP, raising a total of $7,273,000 (before costs).

In accepting the oversubscriptions, the Board proceeded on the assumption that the additional SPP shares would automatically fall within Exception 5, Listing Rule 7.2. In forming that view, the Company did not fully appreciate the flow-through implications of the Attaching Options and Piggyback Options associated with the oversubscribed SPP shares, in their impact on capacity under Listing Rule 7.1.

The original number of Piggyback Options was within the Company's available Listing Rule 7.1 capacity, however a breach of capacity arose from the subsequent increase in that number following acceptance of the SPP oversubscriptions. The issue was identified during preparation of meeting materials for the Company's 2026 Annual General Meeting, and Talga promptly notified the ASX upon becoming aware of it.

The oversight was inadvertent and arose in the context of strong demand under the SPP. The Company confirms that the breach does not affect the validity, terms or rights of those Piggyback Options, or the status of the SPP or proceeds already received and their intended use.

The Company is committed to ensuring future compliance with Listing Rule 7.1. It has reviewed its capacity-calculation and approval process to implement additional controls, (including an assessment of its current corporate governance policies, which it believes are sufficient) to prevent a recurrence.

Authorised for release by:

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