



ASX Announcement (ASX: TSC)

15 April 2021

Rights Issue – Notification to Ineligible Shareholders

Twenty Seven Co. Limited ('Twenty Seven' Co. or 'Company') has despatched the attached letter to ineligible shareholders in relation to the renounceable rights issue, details of which were announced to ASX on 12 April 2021.

The Board of Twenty Seven Co. Limited authorised the release of this announcement to the ASX.

For further information please contact:

Dale Hanna
Company Secretary
Twenty Seven Co. Limited



Twenty Seven Co. Limited

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14 April 2021

Dear Shareholder

Renounceable Entitlement Offer – Letter to Ineligible Shareholders

As announced on 12 April 2021, Twenty Seven Co. Limited (ASX: TSC) (**TSC** or **the Company**) is undertaking a pro rata renounceable rights issue to offer of up to 532,137,912 new fully paid ordinary shares (**New Shares**) and 266,068,956 free attaching new options (**New Options**) to raise up to approximately \$2.65 million (**Entitlement Offer**).

About the Entitlement Offer

Under the Entitlement Offer, Shareholders will be offered 1 New Share for every 4 existing fully paid ordinary shares (**Shares**) held on 16 April 2021 (**Record Date**) at an issue price of \$0.005 per New Share, together with 1 free attaching New Option for every 2 New Shares subscribed for, exercisable at \$0.009 each and expiring on 31 October 2023. The Company has entered into an underwriting agreement with Mahe Capital Pty Ltd (ACN 634 087 684) (AFSL 517 246) (**Mahe Capital**) to partially underwrite the Entitlement Offer, to the value of \$1.5 million.

The Entitlement Offer is renounceable which means that the entitlements to participate in the Entitlement Offer are transferable and therefore can be traded on the ASX or transferred privately.

The Entitlement Offer is being made to all shareholders of the Company (**Shareholders**) named on its register as members at 5:00pm (Western Australian Standard Time) on the Record Date, whose registered address is in Australia or New Zealand (**Eligible Shareholders**). The Company is making the Entitlement Offer available to Eligible Shareholders only.

This letter is to inform you about the Entitlement Offer, and to explain why you will not be able to participate in Entitlement Offer. You should read this carefully to understand what this means for you.

This letter is not an offer to issue New Shares or New Options to you, nor an invitation for you to apply for New Shares or New Options. **You are not required to respond to this letter.**

Further information on the Entitlement Offer is contained in the announcements provided to ASX on 13 April 2020, available at www.asx.com.au and the Company's website (<https://www.twentysevenco.com.au>).

Use of proceeds

The Company intends to apply the proceeds of the Entitlement Offer to fund the following activities:

- assess exploration and mining opportunities at its Mt Dimer Mining Lease after a recent successful exploration campaign;
- progress further exploration on its Mt Dimer Exploration Lease, adjacent to its Mt Dimer Mining Lease (currently underway);
- mobilise a crew to commence geochemical soil testing programs on its 220km², underexplored Marda Greenstone ground at Yarbu;
- fast-track the next program of work on its Rover Project, including follow-up work on the project's best soil results to date at Blue Hills, Four Corners and Middle Well;
- progress opportunities to maximise value from its highly prospective NSW IOCG projects; and
- use for working capital purposes generally.

Why am I not eligible to participate in the Entitlement Offer?

The Company has determined pursuant to ASX Listing Rule 7.7.1(a) that it is unreasonable to make the Entitlement Offer generally available to Shareholders with registered addresses outside of Australia and New Zealand (**Ineligible Shareholders**) due to:

- the relatively small number of Ineligible Shareholders in the jurisdictions where the Entitlement Offer is not being made;
- the number and value of the New Shares to which the Ineligible Shareholders would otherwise be entitled; and
- the costs of complying with the legal and other regulatory requirements in each of the jurisdictions outside of Australia and New Zealand.

According to the Company's records, you do not satisfy the eligibility criteria for an Eligible Shareholder set out above. Accordingly, in compliance with ASX Listing Rule 7.7.1(b) and section 9A(3)(b) of the *Corporations Act 2001* (Cth), the Company wishes to advise you that it will not be extending the Entitlement Offer to you and you will not be able to subscribe for New Shares or New Options under the Entitlement Offer. You will not be sent documents relating the Entitlement Offer.

Appointment of Nominee

The Company has appointed, in compliance with ASX Listing Rule 7.7.1(c), Mahe Capital as nominee (**Nominee**) to sell the rights to subscribe for New Shares and receive New Options pursuant to the Prospectus (**Entitlements**) to which Ineligible Shareholders are entitled. The Nominee will have the discretion to determine the timing and price at which the Entitlements may be sold and the manner of any such sale.

Any interest earned on the proceeds of the sale of these Entitlements will firstly be applied against reasonable expenses of such sale, including brokerage, and any balance will accrue to Ineligible Shareholders.

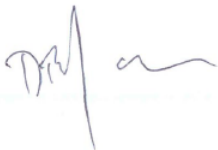
The net proceeds of the sale of these Entitlements will then be forwarded by the Company as soon as practicable to the Ineligible Shareholders, in proportion to their share of such Entitlements (after deducting brokerage commission and other expenses). If any such net proceeds of sale are less than the reasonable costs that would be incurred by the Company for distributing those proceeds, such proceeds may be retained by the Company.

Notwithstanding that the Nominee may sell Entitlements, Ineligible Shareholders may nevertheless receive no net proceeds if the costs of the sale are greater than the sale proceeds.

There is no guarantee that the Nominee will be able to sell Entitlements of Ineligible Shareholders on ASX and Ineligible Shareholders may receive no value for the Entitlements. Both the Company and the Nominee take no responsibility for the outcome of the sale of such Entitlements or the failure to sell such Entitlements.

If you have any queries concerning the Entitlement Offer, please contact your financial adviser or Dale Hanna, Company Secretary, on +61 8 9385 6911.

On behalf of the Board of the Company, I thank you for your continued support.

A handwritten signature in blue ink, appearing to read 'Dale Hanna', is written over a light blue horizontal line.

Yours faithfully
Dale Hanna
Company Secretary
Twenty Seven Co. Limited