

Sent by email on August 16, 2025

Attention Tony Moffatt  
Tuas Company Secretary

This email is being sent to the general Tuas investor relations email address as the only publicly available point of contact for the company. Could it please be forwarded to all relevant decision makers (including the directors) on the forthcoming SPP allocation decision and outcome announcement and could you please confirm by reply email that this has happened.

I'm a former Tuas shareholder who [participated in the 2022 online AGM](#) but am not currently on the register. I advocate for retail shareholder rights and am writing to you on behalf of the circa 13,000 retail shareholders who are eligible to apply to participate in the SPP, which closes on September 25.

Firstly, thank you for including the \$50 million SPP in the raise. This is clearly better than this [long list of companies](#) which have done stand-alone placements with no SPP at all. It is also great that the board included secondary pricing based on a 2% discount to VWAP, not that this will come into play given the remarkable surge in the share price since the M1 acquisition was announced.

However, the proposed \$50 million SPP component is arguably too small relative to the \$366 million institutional placement, as is [spelt out on this list](#) tracking capital raisings above \$20 million.

The latest [Tuas annual report](#) says that the company has 12,851 shareholders, so the theoretical maximum in SPP applications is \$385.5 million. This means that if just 1,667 or 13% of the shareholder base apply for the maximum \$30,000, that will soak up the entire \$50 million SPP allocation. With an impressive post-placement market cap of \$4 billion, I believe the allocation to retail of just 12% of a \$416 million capital raising should be lifted, assuming there are surplus applications. Accepting all SPP applications will also reduce the debt required to fund the \$1.2 billion M1 acquisition, which the market certainly loves, based on the surging share price.

There are many precedents and it would be great if Tuas was to [join this long list](#) of almost 50 examples of companies which completely uncapped their SPPs in the face of strong retail shareholder demand and in order to avoid imposing any form of scale back. Such a move would also provide some tiny compensation to retail shareholders as a class who have been diluted out of tens of billions of dollars by Australia's anything goes public company capital raising system, in which the biggest losers are the inert retail shareholders who don't participate in non-renounceable offers.

From a retail shareholder perspective, the next best alternative after complete uncapping is partially lifting the cap but still imposing a scale back, as has also been done previously by many companies – see this [long list of almost 50 examples](#).

If there is going to be a scale back, there should ideally be a minimum allocation such as \$500 for all applicants, in order to reduce the number of holders with an unmarketable parcel. In Australia, this is defined as any holding below \$500. Here is a [list of 19 examples](#) of capital raisings by ASX listed companies where there was a minimum allocation before a pro-rata scale back was applied.

After that, a pro rata allocation based on size of holding is fair. Alternatively, you could choose to favour your smaller and poorer retail shareholders by scaling back based on size of application like the many [companies on this list](#).

Whatever you do, please spell out the scale back formula clearly in the SPP offer document and the outcome announcement, preferably with a table similar to what QBE Insurance produced in [this 2009 ASX announcement](#).

In terms of the outcome announcement, please follow the best practice transparency demonstrated by [companies on this list](#). For the avoidance of doubt, here are some words to demonstrate how it might read.

“The Tuas SPP was open to 12,581 eligible shareholders and the company received applications totalling \$127.2 million from 4,797 holders, a participation rate of 38.13%.”

It would also be great if you could send a reminder email a week before the SPP closes to those shareholders who have signed up for electronic communications. Finally, as a \$4 billion market cap company with a rising free float and headed for the ASX200, could you also please adopt best practice hybrid shareholder meetings going forward, starting with your upcoming AGM in November.

Once again, I would appreciate an acknowledgment that this email has been received and forwarded to the relevant parties and look forward to seeing the ASX announcement about the hopefully expanded and uncapped SPP.

I will be commenting about your decision on Twitter, in my next *Intelligent Investor* column (see [previous 200-plus columns](#)) and also will potentially raise the issue at future AGMs.

If you would like to discuss this matter, feel free to contact me via this email address or by telephone on 0412 106 241.

Thank you for your consideration.

Kind regards

**Stephen Mayne**

Former Tuas shareholder

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