ASX ANNOUNCEMENT

RIGHTS ISSUE CLEANSING NOTICE

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Sydney – 30 November 2015 – Tag Pacific Limited (ASX: TAG) releases the attached rights issue cleansing notice under section 708AA(2)(f) of the Corporations Act

ENDS

For further information please contact:

Peter Wise
Chairman
Tag Pacific Limited
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Nathan Wise
Chief Executive Officer
Tag Pacific Limited
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ABOUT

Tag Pacific Limited is a Sydney-based investment house listed on the Australian Securities Exchange with a focus on niche areas of the power industry. Tag has invested in a diverse range of companies and activities that have been brought together primarily to operate under the banner of MPower. The company's mission is to invest in the power industry in a manner that creates and enhances value and achieves above average returns.

30 November 2015

The Manager
Company Announcements Office
Australian Securities Exchange
4th Floor, 20 Bridge Street
SYDNEY NSW 2000

ASX RELEASE

Issuer: Tag Pacific Limited (ASX Code: TAG)

RIGHTS ISSUE CLEANSING NOTICE UNDER SECTION 708AA(2)(F) OF THE CORPORATIONS ACT

Tag Pacific Limited ("**Tag Pacific**" or the "**Company**") announced on 30 November 2015 that it will undertake a non-renounceable rights issue of up to approximately 51,544,762 fully paid ordinary shares in Tag Pacific ("**Rights Issue**"). Eligible shareholders will be entitled to subscribe for 11 ordinary fully paid shares in Tag Pacific ("**New Shares**") for every 20 ordinary shares in Tag Pacific held at the Record Date, being 7.00 pm (Sydney time) on 4 December 2015, with each such New Share being issued at an issue price of $0.04 to raise up to approximately $2,061,790 ("**Offer**").

Tag Pacific will offer the New Shares for issue without disclosure to investors under section 708AA(2)(f) of the Corporations Act 2001 ("**Corporations Act**") as notionally modified by ASIC Class Order 08/35 ("**CO 08/35**").

Further details regarding the Offer are set out in the offer document (the "**Offer Document**") that will be dispatched to shareholders.

Details of the securities issued

Class of securities:	Ordinary shares
ASX Code of the securities:	TAG
Date of the issue or expected issue of the securities:	29 December 2015
Maximum number of securities to be issued:	51,544,762

For the purposes of section 708AA(7) of the Corporations Act, Tag Pacific advises:

1. the New Shares will be issued without disclosure under Part 6D.2 of the Corporations Act as notionally modified by CO 08/35;

2. this notice is given under section 708AA(2)(f) of the Corporations Act as notionally modified by CO 08/35;

3. as at the date of this notice, Tag Pacific has complied with:

    (a) the provisions of Chapter 2M of the Corporations Act as they apply to Tag Pacific; 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; and

5. the effect the issue of the New Shares under the Rights Issue will have on the control of Tag Pacific, and the consequences of that effect, will depend on a number of factors, including the level of support for the Rights Issue.

If all eligible shareholders each subscribe for their full Entitlement, then each eligible shareholder's percentage ownership interest (and voting power) in the Company will remain the same, subject only to changes resulting from ineligible foreign shareholders being unable to participate in the Offer, and there will be no effect on control of the Company.

To the extent that an eligible shareholder does not take up its Entitlement, the proportionate shareholding interest of that eligible shareholder in the Company will be diluted. The proportionate shareholding interest of the ineligible foreign shareholders will be diluted because those ineligible shareholders are not entitled to participate in the Offer.

As at the date of the Offer Document, the following three shareholders are the only shareholders who have notified the Company that they are substantial shareholders ("**Existing Substantial Shareholders**"):

Existing Substantial Shareholder	Number of Shares	Voting power in Company
Anthony Australia Pty Limited and its associate	47,368,619	50.54%
Paul Douglas Sharp and his associates	13,097,757	13.98%
KV Management (Nominees) Pty Limited	6,630,141	7.07%

Both Mr Peter Wise, the executive chairman of Tag Pacific, and Mr Nathan Wise, the managing director and chief executive officer of Tag Pacific, are directors of Anthony Australia Pty Limited.

As at the date of the Offer Document, Anthony Australia Pty Limited has advised the board of Tag Pacific that it intends to take up its Entitlement in full, representing 19,337,829 New Shares for a subscription price of $773,513.16. Although Anthony Australia Pty Limited has a voting power of 50.54% at the date of this Offer Document, its Entitlement is only 19,337,829 New Shares because it only holds 35,159,689 Shares (37.5% of the total Shares on issue in the Company at the date of the Offer Document). The balance of its voting power arises because the Company has a relevant interest in 12,208,930 Shares in itself, as a result of existing pre-emptive rights arrangements. Anthony Australia Pty Limited is also deemed to have a relevant interest in those 12,208,930 Shares.

In the event that Anthony Australia Pty Limited was the only eligible shareholder to take up its Entitlement then all other shareholders in Tag Pacific would be diluted and the voting power of Anthony Australia Pty Limited would increase from 50.54% to 59.00%. In that unlikely scenario, the voting power of each of the Existing Substantial Shareholders would be as follows:

Existing Substantial Shareholder	Number of Shares	Voting power in Company
Anthony Australia Pty Limited and its associate	66,706,448	59.00%
Paul Douglas Sharp and his associates	13,097,757	11.59%
KV Management (Nominees) Pty Limited	6,630,141	5.86%

In the event that all of the Existing Substantial Shareholders were the only eligible shareholders to take up their Entitlements, then all other shareholders in Tag Pacific would be diluted and the voting power of each of the Existing Substantial Shareholders would increase as follows:

Existing Substantial Shareholder	Number of Shares	Voting power in Company
Anthony Australia Pty Limited and its associate	66,706,448	53.84%
Paul Douglas Sharp and his associates	20,301,524	16.38%
KV Management (Nominees) Pty Limited	10,276,719	8.29%

The following table demonstrates the maximum possible increase in the voting power of Anthony Australia Pty Limited as a result of the Rights Issue and the maximum dilutionary effect the Rights Issue will have on shareholders other than Anthony Australia Pty Limited at the close of the Offer, assuming that Anthony Australia Pty Limited subscribes for its full Entitlement under the Rights Issue on the basis of 100%, 75%, 50%, 25% and nil subscription by shareholders other than Anthony Australia Pty Limited.

The table below does not take into account any placement of any shortfall not taken up by shareholders under the Rights Issue ("**Shortfall**").

% participation by other holders	Number of New Shares issued to other holders	Number of New Shares issued to Anthony Australia Pty Limited	Total number of New Shares issued	Total number of Shares on issue post Offer	Voting power of Anthony Australia Pty Limited	Maximum dilution to other holders that do not participate
100%	32,206,933	19,337,829	51,544,762	145,262,511	45.92%	0.00%
75%	24,155,200	19,337,829	43,493,029	137,210,778	48.62%	4.95%
50%	16,103,467	19,337,829	35,441,296	129,159,045	51.65%	8.57%
25%	8,051,733	19,337,829	27,389,562	121,107,311	55.08%	10.60%
0%	0	19,337,829	19,337,829	113,055,578	59.00%	10.69%

If there is a Shortfall, the Directors of Tag Pacific have a discretion to place the whole or any part of the Shortfall.

The Directors are aware that if the Offer is significantly undersubscribed, any placement of the Shortfall may have control effects on the Company. If the Directors exercise their discretion to place the whole or any part of a Shortfall, they will endeavour to do so by allocating the Shortfall to various sophisticated, professional or exempt investors, in order to mitigate any control effects which may arise from issuing the Shortfall to a single or small number of investors.

In any event, no subscriber will be permitted to acquire New Shares under the Shortfall to the extent that such acquisition would result in that subscriber having a voting power in the Company in excess of 20% (after the close of the Offer and the placement of the Shortfall).

Further details regarding the Rights Issue are set out in the Offer Document.

Signed for and on behalf of Tag Pacific:

Peter Wise

Peter Wise
Chairman
Tag Pacific Limited