

TALLY LTD

("Tally" or the "Company")

Product Update, Board Change and Non-Core Asset Review

22 November 2019

TALLY LTD, the money innovator and developer of the full reserve banking platform and mainstream challenger currency, Tally®, is pleased to provide this business update to shareholders and other interested stakeholders.

Tally's smartphone banking app v1.0 and debit card was released in the UK on 10th June 2019. Since release, Tally has spent the past five months:

- optimising the customer onboarding journey to increase completion percentages,
- improving the customer experience, including the look and feel of the app,
- integrating the Tally platform with scalable customer onboarding, compliance and fraud prevention,
- connecting Tally accounts to the UK Faster Payments network via our tech partners,
- building the Tally community board for shareholders and in-app communication portals for customers including adding functionality into the product so that Tally can communicate directly with customers through their device in the event there are any technical or security or promotional messages to send and in-app chat was also incorporated, and
- developing marketing and customer acquisition strategies to commence following release of app 2.0

Tally® priced in GBP at time of this announcement (1 Tally® = 1 milligram of physical gold):

- 1 GBP = approx. 27 Tally® (i.e. £1 = t27), and
- 1 Tally® = approx. 3.67 pence (i.e. t1 = £0.0367).
- As at 02 September 2019 announcement £1 = 25 Tally® (1 Tally® = 4 pence)
- As at 10 June 2019 announcement £1 = 30 Tally® (1 Tally® = 3.33 pence)

Tally app v2.0 Update

App 2.0 is nearing completion and is due to be released in a few short weeks. Customers will see a new design of the app to reduce friction-points in the customer journey and enhance the customer experience. All current functionality will be maintained and some new features added, with an improved underlying framework for ongoing product development.

Tally Community

The Tally® community online forum has been launched and on the 14th of November Tally held its inaugural Q&A session – where shareholders could ask the founders questions online in real time – and there were a lot of constructive queries, feedback and ideas shared. We thank all of those shareholders who attended the online event, and hope more shareholders join and participate moving forward. Shareholders are also welcome to make an appointment for a phone call or

in-person meeting with Tally's CEO if they'd like to discuss any issues they may have - please contact corporate@tallymoney.com to do so.

Tally Customer Meet-up

Tally held its first customer-facing event in Bristol on the 10th of October to discuss the product and their experience using Tally. Tally customer meet-ups allow us to discuss the product, new functionality in the pipeline and new features customers might like to see. The next meet-up will be held in London on Thursday evening the 5th of December. Please email support@tallymoney.com if you are using Tally and would like to attend. Whilst a product-focused event, our CEO will be available at the end of the event for any shareholders who would like to discuss in person any aspect of the Company.

Tally Press Coverage

Whilst the release of v1.0 has been intentionally low-key (as the product was being further developed and the customer experience optimized), over the past five months Tally® has attracted some press coverage as well as two editorials circulated as listed below:

- Tally money review (8 November 2019)
<https://www.finder.com/uk/tally-money-review>
- What are the pros and cons of linking your bank account to gold? (25 September 2019)
<https://www.lovemoney.com/news/88150/tallymoney-gold-bank-account-fees-risks>
- Brexit-proof travel money (9 September 2019)
<https://www.thisismoney.co.uk/money/holidays/article-7327879/From-spending-gold-using-right-card-Eight-ways-Brexit-proof-travel-money.html>
- Brexit-proof your spending (29 Aug 2019)
<https://www.moneymagpie.com/manage-your-money/brexit-proof-your-spending-with-tally>
- TruNarrative cutting-edge compliance platform for fintech money innovator Tally (4 Aug 2019)
<https://thefintechtimes.com/trunarrative-tally/>
- Tally launches banking app tied to gold ownership (18 July 2019)
<https://www.finextra.com/newsarticle/34139/tally-launches-banking-app-tied-to-gold-ownership>
- Best kept tech secret to making your money work (21 June 2019)
<https://uk.finance.yahoo.com/news/the-bestkept-tech-secret-to-making-your-money-work-073807719.html>
- We know about challenger banks but what about challenger currency (20 June 2019)
<https://uk.finance.yahoo.com/news/we-know-about-challenger-banks-but-what-about-challenger-currency-080255259.html>

Tally Board Change

In line with Tally's core focus being in the digital banking space and rollout of its alternative mainstream monetary system, Dr Hanuma Prasad has stepped down from Tally's board of directors. Dr Prasad continues his work as CEO of Australian Indian Resources Ltd, an India focused Australian multi-metals group that established Geomysore Services (India) Pvt Ltd – a leading gold exploration

company in India, of which Tally Ltd currently owns 22%. And he continues in his role as Executive Director of Bombay Stock Exchange-listed Deccan Gold Mines Ltd. Dr Prasad joined the board of Tally (then called Lionsgold Ltd) in November 2016 and we are very thankful for his contribution to the Company during his tenure and we look forward to liaising with him in future in regard to Tally's Indian mining interests.

Finland Gold Asset Review

Due to Tally's digital banking focus, it is appropriate for the board to investigate commercial opportunities to divest or convert TALLY's non-core business interests into liquid assets where possible and as such the board has been reviewing Tally's Finland gold exploration and mining initiatives.

As such the board has decided to actively market Tally's Finland gold interests, being a 32% holding in Finnish gold joint venture ("JV") company, Kalevala Gold Oy ("Kalevala"). The commercial arrangement may include consolidating Kalevala into a group of Finland exploration and gold deposits discovered and developed by Kalevala and/or Tally's JV partner, Mineral Exploration Network (Finland) Ltd ("MENF"). Tally will be working with MENF to try and achieve a mutually beneficial outcome.

Tally's Finnish JV company, Kalevala, holds the Kuikka Gold Deposit ("Kuikka") which is located within the Syrjälä Project area on the prospective Suomussalmi Greenstone Belt. Originally defined by 4,359m of diamond core drilling undertaken by the Geological Survey of Finland ("GTK") and the Finnish company Outokumpu Mining, Kuikka was subject to a further 937 metres of infill RAB drilling carried out by Tally's JV partner MENF in 2016. During 2017 JV work at Kuikka concentrated on detailed planning, mapping and further grade confirmation drilling as part of the environmental permitting and optimisation of the bulk sampling programme. An additional 22 inclined RAB drill holes were drilled to help refine understanding of the morphology of the central vein and parallel gold mineralisation, to a depth of up to 10m, within the envelope of the planned bulk sample.

This work was completed ahead of equipment testing that took place in late 2018 on 200 tonnes of gold ore and a targeted box-cut bulk sampling programme, that was made into gold and sold this year and reinvested into Kalevala's operations.

Gold produced from 200 tonne bulk sample

Ore was mined from the surface with two-metre dip blast holes drilled every 1.2 metres. The blast holes were sampled and the average gold grade in blast holes was over 20 grams per tonne.

After blasting, ore was loaded to the tractor trailer and delivered to the temporary storage. The ore was then transported to processing facilities in Paltamo for crushing, stockpiling, ore milling, and gravity separation. Ore was crushed to >4 mm particles size on existing crushing facilities. Crushed ore was put in temporary storage and sampled.

Crushed ore was dry milled and processed by gravitation separation on a centrifugal separator. Estimated amount of crushed ore processed by gravity separation was 169 tones. About 820 kg of gravity concentrate was received. Gravity concentrate was re-cleaned by a centrifugal concentrator to 54 kg. Then gold was extracted by hand panning and then melting in a furnace.

632.7 grams of doré gold was produced. The gold grade in 820 kg of tailings with recleaning through gravity concentrate was 54 grams per tonne. Doré gold was taken to Kulta Council in Finland for further refining and a 591.92 gram gold bar with purity 89.12% was received.

Cameron Parry, Chief Executive Officer, commented: “It’s been another busy period as Tally® continues to evolve as a product and the Company continues to advance its commercial opportunities. And whilst there are regular twists and turns to adapt to as we grow as a business, Tally’s corporate objective of achieving a successful IPO by 11 May 2020 remains on track.

“We are currently progressing plans for Tally’s next round of capital raising. This pre-IPO round will look to combine investment from sophisticated and professional investors and family offices, with a crowdfunding campaign with SEEDRS (seedrs.com) to increase brand and product awareness and UK customer account openings. Pre-registrations are scheduled to follow release of Tally’s app v2.0 and commence in the second half of December, with investment via SEEDRS crowdfunding platform able to be made in January 2020.

“It is pleasing to see the Tally Community online forum launched and it has been excellent to have the chance to answer shareholder queries directly through that channel. Thank you to all shareholders who participated. It was also great to meet Tally customers in Bristol in October and I’m looking forward to meeting more Tally users in London in December at our next customer meet-up.

“I would also like to thank Hanuma Prasad for all his efforts and input over the last three years as a non-executive director of the Company. I am personally pleased that we’ll still have reason to stay in touch in relation to our interests in India and on behalf of the Company we wish him well with his other endeavours.”

For further information or if shareholders have any queries, please contact our office via corporate@tallymoney.com

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About TALLY

- TALLY is the innovator of Tally® - a 100%-reserve banking platform and physical asset currency designed by the private sector, that operates seamlessly with the government fiat currency and fractional-reserve banking system.
- Each unit of Tally® is one milligram of LBMA-accredited gold held by the customer and utilised via their individually issued banking account and Mastercard® debit card.
- Tally® is not a fiat currency and Tally® is not a cryptocurrency.

- The Tally® banking platform connects physical asset ownership to the global banking system.
- TALLY's wholly owned UK subsidiary company, TallyMoney Ltd, is a recognised E-Money Directive Agent (FCA Ref. No. 902059) under Financial Conduct Authority-licensed E-Money Institution, PayrNet Limited (FCA Ref No. 900594).
- The Tally® banking App is available on iPhone and Android by searching TallyMoney on the Apple App Store or Google Play Store.
- TALLY also has significant investment ownership in financial technology company Railsbank Technology Ltd (12.5%), leading India gold exploration company Geomysore Services India Pte Ltd (22%) and Finland gold exploration joint venture company Kalevala Gold Oy (32%).