

TALLY LTD

("TALLY" or the "Company")

Activities & Objectives 2020 - end of Q3 Update

30 September 2020

TALLY LTD, the money and banking innovator and digital Non-Bank Financial Institution ("NBFI") that developed the full-reserve banking platform that provides individual bank accounts denominated in a physical asset money, Tally®, is pleased to update shareholders about the Company's activities and objectives.

Tally® sits outside of the traditional global banking network, while seamlessly operating with its global infrastructure. Tally is protected from inflation and bank risk and insulated from economic effects associated with the fiat currency fractional-reserve banking system. Tally is a new category of money (not government fiat currency and not a cryptocurrency) that customers save, spend and send instantly using their bank account via the Tally smartphone app and Tally debit Mastercard®.

Cameron Parry, Chief Executive Officer, commented: "We believe people deserve to use a bank account with money designed to hold its value, and that remains in their control. This is fundamental to individual financial wellbeing and promotes savings and productivity in society.

"Following a period of platform redesign and tech development, in August we were able to focus on new customers once again, as well as continuing to enhance the user experience for those customers already enjoying the protections and other benefits of their Tally account. This has seen customer numbers grow through 7,000 at the end of this quarter. There has also been consistent growth in the number of people following Tally on social media.

"Q3 has been an exciting quarter for future development. We continued work on Tally savings "safes" but potentially more impactful to the consumer market, we developed a new fixed-rate fixed-term deposit and have formulated the mechanism to deliver a market-leading return to customers. We plan to move both easy access and fixed-term "safes" into beta testing next quarter. We also began scoping Tally's Application Programming Interface (API) to enable B2B customers to ultimately gain access to the Tally currency through our API.

"During last quarter we became aware of the part sale of an investment asset that was likely to be concluded in the short term and therefore, mindful of unnecessary dilution, we have completed a private capital raising round at 2p per share to bring in £300,000 at this juncture. Whilst it is restricted to professional and/or sophisticated investors, should any shareholders wish to discuss qualifying and participating in the current 2p round, please email corporate@tallymoney.com

"We plan to conduct a larger capital raise, which is to include a crowdfunding component with crowdfunding platform SEEDRS, around the end of the year. We are also in discussions with SEEDRS regarding using their platform to provide a private secondary market for Tally shares post the crowdfunding close, in the interim period prior to the Company's IPO.

Whilst Tally has overcome its own challenges this year, we know that it has been a particularly challenging year for people around the world due to COVID-19 and our thoughts are with those who have been the worst affected. In these uncertain economic times, with interest rates at near zero for savers, and rapid inflation of the fiat money supply through uncapped quantitative easing, we remain committed to delivering a better choice of money for the mainstream public to hold in their bank account. “

Tally® priced in GBP at time of this announcement:

- 1 Tally® = 4.71 pence (i.e. t1 = £0.0471)
- Approx. 21 Tally® = 1 GBP (i.e. t21 = £1.00)
- As at 30 June 2020 announcement, 1 Tally® = 4.63 pence (approx. 22 Tally® = £1)
- As at 31 March 2020 announcement, 1 Tally® = 4.21 pence (approx. 24 Tally® = £1)
- As at 02 January 2020 announcement, 1 Tally® = 3.71 pence (approx. 27 Tally® = £1)
- As at 25 November 2019 announcement, 1 Tally® = 3.67 pence (approx. 27 Tally® = £1)
- As at 02 September 2019 announcement, 1 Tally® = 4 pence (approx. 25 Tally® = £1)
- As at 10 June 2019, the initial release date, 1 Tally® = 3.33 pence (approx. 30 Tally® = £1)

Product and Operational Development

- Following Tally’s tech development team being restructured in March, Tally’s next generation banking platform was built in the second quarter of 2020. After rigorous testing the new platform went live on the 1st of June, but it turned out one of the tech provider’s test environments didn’t replicate their live environment, creating bugs in the App and disruption to customers’ user experience. Through June and July, additional work was undertaken to resolve the situation and during Q3 the team finished off the migration of legacy transactions with merchant data and the implementation of a data layer.
- During Q3 Tally continued to develop its product and platform roadmap and designed a fixed-rate fixed-term savings account, along with the mechanisms necessary to deliver a market-leading rate of return for UK bank account depositors.
- Tally also started work on the design of its own API to enable integration and use of the Tally monetary system by other companies and platforms providing financial services.

Ongoing Business Activities

- Completing the current capital raising round at 2p per share and preparing a pre-IPO funding round combining a crowdfunding element, in line with the Company’s objective of having its shares listed and trading again on a recognised stock exchange.
- Continuing to grow customer numbers and awareness through social media channels.
- Structuring organisational and team growth.
- Expanding Tally’s product range and platform capabilities.
- Regulatory and legal due diligence around the release of Tally in other jurisdiction(s).

- Commencing work on the Company's audited accounts for the full financial year ending 30 June 2020.

Capital Raising Initiatives, TVR & PDMR:

- Tally conducted an equity investment round that has raised to date over £300,000 @ 2p per share, of which the Tally board has subscribed £20,000.
- Each new ordinary share has a one-for-one attaching warrant that is exercisable at 2x the Company's (to be determined) IPO share price for a term of three years from the Company's (to be determined) IPO date ("IPO 2x Warrants").
- At time of writing 11,000,000 new ordinary shares have been issued in respect of the current equity funding round.
- In accordance with the provision of the Disclosure Guidance and Transparency Rules of the FCA, the issued ordinary share capital of Tally Ltd including the issue of the 11,000,000 new ordinary shares is 643,307,781 Ordinary Shares with voting rights attached (one vote per share). There are no shares held in treasury.
- Following completion of this funding round, Tally plans to next inject equity capital through a pre-IPO equity funding round, incorporating a crowdfunding campaign to increase brand and product awareness, and add new customers.
- Tally continues to assess opportunities to sell its investments, in part or in whole, to inject additional capital. Progress is being made on all three of Tally's investment assets, being its interests in gold exploration in India and Finland and its shares in a Banking as a Service technology company. Upon the next completion of an asset sale, the Company will notify shareholders and provide an update on the remaining investment assets.

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 full-reserve banking platform and physical asset money 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 vaulted in Switzerland on behalf of the customer and utilised by the customer via their individually issued banking account and contactless 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 and enables instant liquidity to save, spend and send the physical asset money.
- 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 currently has significant investment ownership in financial technology company Railsbank Technology Ltd, leading India gold exploration company Geomysore Services India Pte Ltd and Finland gold exploration joint venture company Kalevala Gold Oy.