



**ASX Announcement / Media Release – 4 July 2018**

## **Placement and Share Purchase Plan**

- Placement of \$735,000 at 0.21c now complete
- Share Purchase Plan will enable participation by existing shareholders

PRL Energy Limited (ASX:PRL) (“PRL”) is pleased to announce the completion of a \$735,000 share Placement. An associated Share Purchase Plan (SPP) to raise up to \$1 million will also offer existing eligible shareholders the opportunity to increase their shareholding. The Placement was arranged by Bridge Street Capital Partners Pty Ltd and offered to sophisticated and professional investors.

Of the total 350,000,000 shares issued under the placement 216,000,000 will be settled and allotted immediately under ASX Listing Rule 7.1. capacity. The remaining 134,000,000 shares subscribed for will require shareholder approval at an Extraordinary General Meeting to be held in early August 2018.

Proceeds from the Placement and SPP will primarily be used as working capital to give PRL the scope and capacity to restructure both the company and its portfolio to give shareholders better access to a more diversified range of assets at varying stages of development. While this will entail refocusing on its near fully funded Spanish asset and finalising permitting on its North Perth Basin option, efforts will also go into progressing other strategic asset and corporate opportunities.

The issue price of the Placement is 0.21c per share which represents a 20% discount to PRL’s 5 day VWAP as of the last day of trading in its shares, being 2 July 2018. All shares issued under the Placement will rank equally with the existing shares.

Managing Director, Mr David Casey, said “we are once again very pleased with the level of support we have received for this Placement, and particularly from many of our larger shareholders. Whilst we believe this raise is a significant discount to the true value of our assets, and in particular Spain, where a very well regarded European explorer has commenced an ~A\$6m programme with field operations imminent, for a 49.9% interest in the asset.”

He went on to say, “while the drilling problems and subsequent funding challenges in Uruguay have been disappointing, we are pleased that with our partner now funding and the counterparty process still continuing, we are still exposed to the longer term value and upside without funding from PRL, albeit with programme rationale and timing out of our hands.”

Mr David Casey, also said “with no ongoing liabilities in Uruguay through the transfer of control to our existing partner, and with costs reduced wherever possible across our other projects, including executive/management remuneration, we are comfortable that even this modest raise will afford us the time and opportunity to complete one or more of a number of project and/or corporate initiatives that we are currently pursuing. All executive/management remuneration, subject to shareholder approval, has been share based for the January to June 2018 period with April to June remuneration priced on the same terms as the SPP”.



## **Share Purchase Plan**

PRL is also pleased to announce a share purchase plan targeted to raise up to \$1 million. The SPP is offered to shareholders who at the record date of 7pm on 3 July 2018 have a registered address in Australia or New Zealand and provides the opportunity to apply for up to \$15,000 of fully paid ordinary shares in PRL. Shareholder approval will be sought to place any shortfall arising from the SPP, at an Extraordinary General Meeting to be held in early August 2018.

The issue price of shares under the SPP will also be 0.21c.

The Directors may, in their absolute discretion, decide to issue to any person fewer shares than that person applied for under the SPP. This may be by way of a scale back mechanism.

Details of the offer will be released to ASX on or before 5 July 2018 and mailed to eligible shareholders by 6 July 2018.

### **For further information contact:**

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