



# LONGREACH OIL LIMITED

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## **e-Lodgement** **FOR PUBLIC RELEASE**

Manager - ASX Market Announcements  
Australian Securities Exchange  
20 Bridge Street  
Sydney NSW 2000

### **SUCCESSFUL CONVERTIBLE NOTE ISSUE**

Longreach Oil Limited (ASX: LGO) is pleased to advise that it has entered into an agreement for the subscription and issue of convertible notes to raise \$500,000 (**Convertible Notes**) before costs, with each Convertible Note having a face value of \$1. The Company anticipates funds in full being received on or before 16 May 2019.

The proceeds from the Convertible Notes will be used to fund the Company's working capital and operating costs as well as the final transaction costs relating to the acquisition of Happy Valley Milk Limited (**HVM**) (**Transaction**).

The conversion of the Convertible Notes into fully paid ordinary shares (**Shares**) is subject to the receipt of shareholder approval.

Conversion of the Convertible Notes to Shares will occur on completion under the Share Purchase Agreement with HVM. As announced on 10 April 2018, completion of the Transaction is subject to (amongst other matters) the receipt of shareholder approval for the Transaction and the Company satisfying ASX with regards to its re-compliance with ASX's requirements for admission and quotation. As part of Longreach's re-compliance application, Longreach intends to undertake a capital raise (**Reinstatement Raise**).

The conversion price for the Convertible Notes will be at a 20% discount to the issue price for the Shares issued by Longreach as part of its proposed Reinstatement Raise.

The Convertible Notes will be redeemed 18 months after the issue date of the Convertible Notes where shareholder approval for their conversion into Shares is not obtained or if completion under the Share Purchase Agreement and Longreach's reinstatement to quotation has not occurred by this date. The Convertible Notes will also be redeemed on 4 October 2019 if prior to 20 September 2019, HVM undertakes or agrees to undertake a transaction with any party which, if completed, would mean a person (other than Longreach) will directly or indirectly acquire an interest in the shares in HVM or its assets.

The redemption price for the Convertible Notes is \$625,000.

For and on behalf of  
Longreach Oil Limited

A handwritten signature in black ink, appearing to read "J Rosenberg".

J Rosenberg  
Managing Director