



**ASX ANNOUNCEMENT**

**ASX: COD**

**23 JUNE 2014**

## **\$2.5M PLACEMENT & OVER-SUBSCRIPTIONS COMPLETED COSSACK NOW FUNDED FOR POLISH FLOW TESTING PROGRAM AND BEYOND**

Cossack Energy Limited ("Cossack" or "the Company") is pleased to announce that it has received \$2,628,500 in funds (before costs) as part of a placement to raise \$2,500,000 as announced on 5 June 2014 ("Placement").

The Company advises it has agreed that it will accept over-subscriptions and has issued 87,616,678 shares and 43,808,339 attaching options exercisable at \$0.08 on or before 30 June 2015 to professional and sophisticated investors under the Placement which was approved by shareholders at a General Meeting held on 12 June 2014. In addition, 15,883,333 options have been issued under the Company's 15% placement capacity in accordance with Listing Rule 7.1.

This placement now puts Cossack Energy in a secure financial position moving into its soon to be completed Polish acquisition and flow testing program.

As the cleansing share offer and option offer pursuant to the Entitlement Issue Prospectus released 5 May 2014 are still open, the Company has not prepared a cleansing statement in relation to these placement shares and options due to its reliance on the exception provided by Section 708A(11) of the Corporations Act.

Subject to shareholder approval, Cossack directors Mr Peter Wall and Mr Doug Jendry have committed to contribute Placement funds of \$100,000 and \$60,000, respectively. Shares and options related to the directors' participation in the placement are included in the figures above, however are excluded from the attached Appendix 3B as they will only be allotted upon receipt of shareholder approval. The Company will convene a meeting of shareholders to seek this approval as soon as practicable.

Cossack Managing Director, David King, said, "We are delighted with the strong response received to the capital raising and the Polish acquisition in general. Our focus now will be on delivering value to investors through the Polish work program in the coming months, the updated technical report on the Ukraine licence to be generated off the back of the recently completed seismic program and initiation of farm out discussions on our Ukraine licence."

### **For more information contact:**

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**About Cossack Energy Limited:**

Cossack Energy listed on the ASX in October 2013. The Company is an oil and gas exploration and development company focussed on advancing highly prospective assets within the world class oil and gas provinces of the Ukraine and Eastern Europe.

Cossack has 100% ownership of the Limnytska Licence, a large onshore oil and gas project spanning some 172km<sup>2</sup> in Western Ukraine. The license is located adjacent to known discoveries and near to existing large producing oil and gas fields, Limnytska is considered a relatively low risk appraisal opportunity with significant upside. The Limnytska Licence is estimated to contain a Total Mean Prospective Resource of 832 BSCF of gas and 16.3 MMBBLS of condensate (refer to Cossack's announcement dated 17 July 2013 – Prospectus for further details).

Cossack has also entered into an agreement to acquire a 24% Working Interest ("WI") in the Bieszczady Project located in Poland.

The Bieszczady Project is made up of eight (8) contiguous licences and covers an extensive area of 3,546 km<sup>2</sup> which equates to 876,236 acres (not 948,599 acres as previously erroneously reported) in the far south-east of Poland bordering on Ukraine and Slovakia in the foothills of the Carpathian Mountains.

Tarnawa Central, one of five prospective fields identified in the Project area, has been flow tested by means of the Niebieszczady-1 ("Nieb-1") discovery well and is estimated to contain a Total Mean Contingent Resource of 28 BSCF of gas (Cossack's 24% WI – 6.7 BSCF) and 2.5 MMBBLS of condensate (Cossack's 24% WI – 0.6 MMBBLS) (refer to Cossack's announcement dated 5 June 2014 for further details).

Polskie Górnictwo Naftowe i Gazownictwo ("PGNiG"), who is the largest oil & gas exploration and production company in Poland, is the 51% JV owner and Operator of the Project with LSE AIM listed San Leon Energy plc as the other 25% JV Partner.

Through its established in-country relationships and management expertise, the Company intends to expand its portfolio throughout the Ukraine and Eastern Europe to develop a diversified exploration and production oil and gas company.

Cossack is not aware of a new information or data that materially affects the resource estimates set out above. All material assumptions and technical parameters underpinning the estimates continue to apply and have not materially changed.

Rule 2.7, 3.10.3, 3.10.4, 3.10.5

# Appendix 3B

## New issue announcement, application for quotation of additional securities and agreement

*Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.*

Introduced 01/07/96 Origin: Appendix 5 Amended 01/07/98, 01/09/99, 01/07/00, 30/09/01, 11/03/02, 01/01/03, 24/10/05, 01/08/12

Name of entity

COSSACK ENERGY LIMITED

ABN

73 110 184 355

We (the entity) give ASX the following information.

### Part 1 - All issues

*You must complete the relevant sections (attach sheets if there is not enough space).*

- |   |  |   |
|---|--|---|
| 1 | +Class of +securities issued or to be issued   | <div>1. Fully paid ordinary shares</div> <div>2. Listed options</div>   |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued  | <div>1. 82,283,345</div> <div>2. 57,025,005</div>   |
| 3 | Principal terms of the +securities (eg, if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | <div>1. Fully paid ordinary shares</div> <div>2. Listed options exercisable at \$0.08 on or before 30 June 2015</div> |

+ See chapter 19 for defined terms.

## Appendix 3B

### New issue announcement

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<p>4 Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?</p> <p>If the additional securities do not rank equally, please state:</p> <ul style="list-style-type: none"> <li>• the date from which they do</li> <li>• the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment</li> <li>• the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment</li> </ul>	<p>1. Yes</p> <p>2. No - upon conversion into ordinary shares, the allotted and issued shares will rank equally in all respects with an existing class of quoted securities. The options do not entitle the holder to participate in the next dividend or interest payment.</p>
<p>5 Issue price or consideration</p>	<p>\$0.03 per share with free attaching option for every two shares held</p>
<p>6 Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)</p>	<p>Issued to fund Company's Polish acquisition and for working capital as per announcement released 5 June 2014.</p>
<p>6a Is the entity an +eligible entity that has obtained security holder approval under rule 7.1A?</p> <p>If Yes, complete sections 6b – 6h in relation to the +securities the subject of this Appendix 3B, and comply with section 6i</p>	<p>Yes</p>
<p>6b The date the security holder resolution under rule 7.1A was passed</p>	<p>28 November 2013</p>
<p>6c Number of +securities issued without security holder approval under rule 7.1</p>	<p>15,883,333</p>

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+ See chapter 19 for defined terms.

6d	Number of +securities issued with security holder approval under rule 7.1A	Nil						
6e	Number of +securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)	1. 82,283,345 FPOS 2. 41,141,672 Listed Options Approved at AGM held 12 June 2014						
6f	Number of securities issued under an exception in rule 7.2	N/A						
6g	If securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the issue date and both values. Include the source of the VWAP calculation.	N/A						
6h	If securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements	N/A						
6i	Calculate the entity's remaining issue capacity under rule 7.1 and rule 7.1A – complete Annexure 1 and release to ASX Market Announcements	Capacity under LR 7.1 is 9,065,196 Capacity under LR 7.1A is 16,632,353						
7	Dates of entering +securities into uncertificated holdings or despatch of certificates	23 June 2014						
8	Number and +class of all +securities quoted on ASX (including the securities in section 2 if applicable)	<table><tr><th>Number</th><th>+Class</th></tr><tr><td>126,323,528</td><td>Fully paid ordinary shares (ASX Code: COD)</td></tr><tr><td>62,718,498</td><td>Listed Options exercisable at \$0.08 each, expiring 30 June 2015 (ASX Code: CODO)</td></tr></table>	Number	+Class	126,323,528	Fully paid ordinary shares (ASX Code: COD)	62,718,498	Listed Options exercisable at \$0.08 each, expiring 30 June 2015 (ASX Code: CODO)
Number	+Class							
126,323,528	Fully paid ordinary shares (ASX Code: COD)							
62,718,498	Listed Options exercisable at \$0.08 each, expiring 30 June 2015 (ASX Code: CODO)							

+ See chapter 19 for defined terms.

## Appendix 3B

### New issue announcement

9	Number and <sup>+</sup> class of all <sup>+</sup> securities not quoted on ASX (including the securities in section 2 if applicable)	40,000,000	Fully paid ordinary shares escrowed until 10 October 2014 (ASX Code: COD)
		7,882,362	Unlisted Options exercisable \$0.17 each, expiring 29 February 2016. (ASX Code CODAI)
		6,000,000	Performance Rights
10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)		

## Part 2 - Bonus issue or pro rata issue – Not Applicable

11	Is security holder approval required?	N/A
12	Is the issue renounceable or non-renounceable?	N/A
13	Ratio in which the <sup>+</sup> securities will be offered	N/A
14	<sup>+</sup> Class of <sup>+</sup> securities to which the offer relates	N/A
15	<sup>+</sup> Record date to determine entitlements	N/A
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	N/A
17	Policy for deciding entitlements in relation to fractions	N/A
18	Names of countries in which the entity has <sup>+</sup> security holders who will not be sent new issue documents  Note: Security holders must be told how their entitlements are to be dealt with.  Cross reference: rule 7.7.	N/A

<sup>+</sup> See chapter 19 for defined terms.

19	Closing date for receipt of acceptances or renunciations	N/A
20	Names of any underwriters	N/A
21	Amount of any underwriting fee or commission	N/A
22	Names of any brokers to the issue	N/A
23	Fee or commission payable to the broker to the issue	N/A
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of <sup>+</sup> security holders	N/A
25	If the issue is contingent on <sup>+</sup> security holders' approval, the date of the meeting	N/A
26	Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled	N/A
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	N/A
28	Date rights trading will begin (if applicable)	N/A
29	Date rights trading will end (if applicable)	N/A
30	How do <sup>+</sup> security holders sell their entitlements <i>in full</i> through a broker?	N/A

+ See chapter 19 for defined terms.

## Appendix 3B

### New issue announcement

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|----|---|-----|
| 31 | How do <sup>+</sup> security holders sell part of their entitlements through a broker and accept for the balance? | N/A |
| 32 | How do <sup>+</sup> security holders dispose of their entitlements (except by sale through a broker)?             | N/A |
| 33 | <sup>+</sup> Despatch date  | N/A |

## Part 3 - Quotation of securities

*You need only complete this section if you are applying for quotation of securities*

- 34 Type of securities  
(tick one)

(a) ☒ Securities described in Part 1

(b) ☐ All other securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

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<sup>+</sup> See chapter 19 for defined terms.



## Entities that have ticked box 34(a)

### Additional securities forming a new class of securities

*Tick to indicate you are providing the information or documents*

- 35 ☐ If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders
- 36 ☐ If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories  
1 - 1,000  
1,001 - 5,000  
5,001 - 10,000  
10,001 - 100,000  
100,001 and over
- 37 ☐ A copy of any trust deed for the additional +securities

## Entities that have ticked box 34(b)

- 38 Number of securities for which +quotation is sought N/A
- 39 Class of +securities for which quotation is sought N/A
- 40 Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities? N/A
- If the additional securities do not rank equally, please state:
- the date from which they do
  - the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment
  - the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment

+ See chapter 19 for defined terms.

## Appendix 3B

### New issue announcement

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41	Reason for request for quotation now  Example: In the case of restricted securities, end of restriction period  (if issued upon conversion of another security, clearly identify that other security)	N/A	
42	Number and <sup>+</sup> class of all <sup>+</sup> securities quoted on ASX ( <i>including</i> the securities in clause 38)	Number	<sup>+</sup> Class
		N/A	

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<sup>+</sup> See chapter 19 for defined terms.

### Quotation agreement

- 1      +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.
- 2      We warrant the following to ASX.
- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
  - There is no reason why those +securities should not be granted +quotation.
  - An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.  
Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty
  - Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
  - If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.
- 3      We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.
- 4      We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.



Sign here: .....Date: 23/06/2014  
(Company Secretary)

Print name: Sarah Smith

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+ See chapter 19 for defined terms.

## Appendix 3B – Annexure 1

### Calculation of placement capacity under rule 7.1 and rule 7.1A for +eligible entities

Introduced 01/08/12

#### Part 1

Rule 7.1 – Issues exceeding 15% of capital	
<b>Step 1: Calculate “A”, the base figure from which the placement capacity is calculated</b>	
<b>Insert</b> number of fully paid ordinary securities on issue 12 months before date of issue or agreement to issue	325,877,006
<b>Add</b> the following: <ul style="list-style-type: none"> <li>Number of fully paid ordinary securities issued in that 12 month period under an exception in rule 7.2</li> <li>Number of fully paid ordinary securities issued in that 12 month period with shareholder approval</li> <li>Number of partly paid ordinary securities that became fully paid in that 12 month period</li> </ul> <p><i>Note:</i></p> <ul style="list-style-type: none"> <li>Include only ordinary securities here – other classes of equity securities cannot be added</li> <li>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</li> <li>It may be useful to set out issues of securities on different dates as separate line items</li> </ul>	64,870,733  82,283,345 Issued 23 June 2014
<b>Subtract</b> the number of fully paid ordinary securities cancelled during that 12 month period	306,707,556
<b>“A”</b>	166,323,528

+ See chapter 19 for defined terms.

<b>Step 2: Calculate 15% of “A”</b>	
<b>“B”</b>	0.15 <i>[Note: this value cannot be changed]</i>
<b>Multiply “A” by 0.15</b>	24,948,529
<b>Step 3: Calculate “C”, the amount of placement capacity under rule 7.1 that has already been used</b>	
<p><b>Insert</b> number of equity securities issued or agreed to be issued in that 12 month period <i>not counting</i> those issued:</p> <ul style="list-style-type: none"> <li>• Under an exception in rule 7.2</li> <li>• Under rule 7.1A</li> <li>• With security holder approval under rule 7.1 or rule 7.4</li> </ul> <p><i>Note:</i></p> <ul style="list-style-type: none"> <li>• <i>This applies to equity securities, unless specifically excluded – not just ordinary securities</i></li> <li>• <i>Include here (if applicable ) the securities the subject of the Appendix 3B to which this form is annexed</i></li> <li>• <i>It may be useful to set out issues of securities on different dates as separate line items</i></li> </ul>	15,883,333 Listed Options issued 23 June 2014
<b>“C”</b>	15,883,333
<b>Step 4: Subtract “C” from [“A” x “B”] to calculate remaining placement capacity under rule 7.1</b>	
<b>“A” x 0.15</b>  <i>Note: number must be same as shown in Step 2</i>	24,948,529
<b>Subtract “C”</b>  <i>Note: number must be same as shown in Step 3</i>	-
<b>Total [“A” x 0.15] – “C”</b>	9,065,196  <i>[Note: this is the remaining placement capacity under rule 7.1]</i>

+ See chapter 19 for defined terms.

## Part 2

<b>Rule 7.1A – Additional placement capacity for eligible entities</b>	
<b>Step 1: Calculate “A”, the base figure from which the placement capacity is calculated</b>	
<b>“A”</b>  <i>Note: number must be same as shown in Step 1 of Part 1</i>	166,323,528
<b>Step 2: Calculate 10% of “A”</b>	
<b>“D”</b>	0.10  <i>Note: this value cannot be changed</i>
<b>Multiply “A” by 0.10</b>	16,632,353
<b>Step 3: Calculate “E”, the amount of placement capacity under rule 7.1A that has already been used</b>	
<b>Insert</b> number of equity securities issued or agreed to be issued in that 12 month period under rule 7.1A  <b>Notes:</b> <ul style="list-style-type: none"> <li>• <i>This applies to equity securities – not just ordinary securities</i></li> <li>• <i>Include here – if applicable – the securities the subject of the Appendix 3B to which this form is annexed</i></li> <li>• <i>Do not include equity securities issued under rule 7.1 (they must be dealt with in Part 1), or for which specific security holder approval has been obtained</i></li> <li>• <i>It may be useful to set out issues of securities on different dates as separate line items</i></li> </ul>	-
<b>“E”</b>	16,632,353

+ See chapter 19 for defined terms.

<b>Step 4: Subtract “E” from [“A” x “D”] to calculate remaining placement capacity under rule 7.1A</b>	
“A” x 0.10  <i>Note: number must be same as shown in Step 2</i>	16,632,353
<b>Subtract “E”</b>  <i>Note: number must be same as shown in Step 3</i>	-
<b>Total</b> [“A” x 0.10] – “E”	16,632,353  <i>Note: this is the remaining placement capacity under rule 7.1A</i>

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+ See chapter 19 for defined terms.