



ANNOUNCEMENT TO THE AUSTRALIAN SECURITIES EXCHANGE: 16 October 2014

RECEIPT OF EVOWORLD'S BIDDER'S STATEMENT

Neon Energy Limited (ASX: NEN) has received a Bidder's Statement from Evoworld Corporation Pty Ltd (**Evoworld**), dated 15 October 2014, relating to Evoworld's off-market proportional takeover offer for 30% of the Neon Energy shares that it and its associates do not own or control.

The Board of Neon Energy recommends that shareholders TAKE NO ACTION at this time, pending issuance of Neon Energy's Target's Statement.

Neon Energy is preparing a formal response, which will be released in its Target's Statement in the near future. In the meantime the Board notes that the document received from Evoworld provides only limited and vague information regarding Evoworld's intentions for Neon Energy. The Board recommends that shareholders take no action in respect of the Evoworld offer until they have had the opportunity to consider Neon Energy's Target's Statement.

Neon Energy's Board has serious concerns regarding Evoworld's intentions and the nature of its offer, as detailed within the explanatory memorandum sent with the Notice of Meetings issued on 3 October 2012. The Board strongly encourages shareholders to read the explanatory memorandum in full.

Based on its Bidder's Statement, Evoworld proposes to make the first offer under its proportional bid on 29 October 2014, with the offer remaining open for acceptance until 1 December 2014 (unless extended). For the purposes of the Proportional Bid Meeting, this would mean that Neon Energy shareholders entitled to vote at the meeting will be those persons who hold shares in the Company as at 7.00pm (Sydney time) on 29 October 2014.

The Board of Neon Energy recommends that shareholders VOTE AGAINST the resolutions to be considered at the upcoming general meetings.

Given the importance of the meetings to the Company's future, the Board strongly encourages shareholders to vote at the meetings, in person or by proxy. Shareholders that intend to vote by proxy should do so in accordance with the instructions on the proxy forms by **2.00pm (WST) on Monday, 10 November 2014**. Both meetings will be held on Wednesday, 12 November 2014, with the Proportional Bid Meeting commencing at 2.00pm (WST).

If you have any queries please contact Neon Energy's shareholder information line on 1300 889 528 (within Australia) or +61 2 8022 7938 (international), or Market Eye on +61 (0) 3 9591 8900.