



22 December 2016

The Manager
Market Announcements Office
Australian Securities Exchange
Exchange Centre
20 Bridge Street
SYDNEY NSW 2000

Non-Renounceable Rights Issue

BPH Energy Limited ACN 095 912 002 (**ASX: BPH**) (**the Company**) is pleased to announce a pro rata non-renounceable rights offer of one (1) new fully paid ordinary share (**Share**) in the capital of the Company (**New Share**) for every one (1) Share held by eligible shareholders (**Eligible Shareholders**) at an issue price of \$0.005 per New Share (**Offer Price**) to raise up to approximately \$1,800,000 (before costs) (**Rights Issue**).

Key information about the Rights Issue

1. The Rights issue is non-renounceable which means that the entitlements to New Shares will not be tradeable on ASX or otherwise transferrable.
2. The Rights Issue is being conducted under section 708AA of the *Corporations Act 2001* (Cth) and does not require a prospectus. Eligible Shareholders will be sent a short form offer document relating to the Rights Issue (**Offer Document**) and a personalised entitlement and acceptance form.
3. Application for New Shares under the Rights Issue may only be made by completing the entitlement and acceptance form which accompanies the Offer Document. Shareholders eligible to participate in the Rights Issue should read the Offer Document carefully and consult professional advisers as necessary.
4. A top-up facility will be available allowing eligible shareholders to apply for additional Shares over and above their entitlements (additional Shares will be allotted to the extent there is a shortfall under the Rights Issue).
5. Shares issued under the Rights Issue will rank equally with existing Shares on issue on the record date. The Company will make application for official quotation of the New Shares proposed to be issued under the Rights Issue.

6. Shareholders who do not take up all or any part of their entitlement will not receive any payment or value in respect of the entitlement not taken up and their equity interest in the Company will be diluted.
7. The Rights Issue is not underwritten.

Capital Structure

As at the date of this announcement, the Company has 361,600,549 Shares on issue. The maximum number of New Shares to be issued under the Rights Issue is 361,600,549. At the conclusion of the Rights Issue, the total number of issued Shares in the Company will be up to a maximum of 723,201,098.

Offer Document

The Company is in the process of completing the Offer Document and this will be lodged with ASX shortly. At that time, the Company will confirm the timetable for the offer, including the relevant Record Date.

Enquiries

Any enquiries regarding the Rights Issue should be directed to:

David Breeze

Chairman

+61 8 9328 8366

admin@bphenergy.com.au

Yours sincerely

A handwritten signature in dark ink, appearing to read 'D. Breeze', with a stylized flourish at the end.

David Breeze
Chairman