



**PURA VIDA ENERGY NL
(TO BE RENAMED “ANSILA ENERGY NL”)
ACN 150 624 169**



ENTITLEMENT ISSUE PROSPECTUS

For a non-renounceable entitlement issue of one (1) new Share for every two (2) Shares held by those Shareholders registered at the Record Date at an issue price of \$0.018 per Share to raise approximately \$2,732,098 (based on the number of Shares on issue as at the date of this Prospectus) (**Entitlement Offer**).

The Offer is fully underwritten by CPS Capital Group Pty Ltd ACN 088 055 636 (AFSL 294848) (**Underwriter**). Refer to Sections 9.1 and 9.2 for details regarding the terms of the Lead Manager Mandate and the Underwriting Agreement.

This Prospectus also contains the following separate offers:

- (a) an offer of 25,000,000 Shares and 20,000,000 Options to the Underwriter (**Underwriter Offer**); and
- (b) an offer of 5,000,000 Shares to the Facilitators (**Facilitators Offer**).

Please refer to Sections 5.4 and 5.5 of this Prospectus for further details.

IMPORTANT NOTICE

This document is important and should be read in its entirety. If after reading this Prospectus you have any questions about the securities being offered under this Prospectus or any other matter in relation to the Entitlement Offer, then you should consult your stockbroker, accountant or other professional adviser.

The Shares and Options offered by this Prospectus should be considered as speculative.

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1. CORPORATE DIRECTORY

Directors

Mr Bevan Tarratt
Non-Executive Chairman

Mr Nathan Lude
Executive Director

Mr Bruce Lane
Non-Executive Director

Mr David Sanders
Non-Executive Director

Dr Andrew Matharu
*Proposed Executive Director***

Mr Christopher Lewis
*Proposed Technical Director***

Company Secretary

Mr John Kay

ASX Code

PVD

Registered Office

Level 1, Unit 1
89 St Georges Terrace
Perth WA 6000

Telephone: +61 8 9226 2011
Facsimile: +61 8 9226 2099

Website: www.puravidaenergy.com.au
Email: info@puravidaenergy.com.au

Share Registry*

Computershare Investor Services Pty Limited
Level 11, 172 St George Terrace
Perth WA 6000

Telephone: 1300 850 505 (within Australia)
Telephone: +61 3 9415 4000 (outside
Australia)

Underwriter

CPS Capital Group Pty Ltd
AFSL: 294848
Level 45
108 St George's Terrace
Perth WA 6000

Solicitors

Bennett + Co
Ground Floor, BGC Centre
28 The Esplanade
Perth WA 6000

* This entity is included for information purposes only. It has not been involved in the preparation of this Prospectus and has not consented to being named in this Prospectus.

** It is proposed that Dr Matharu and Mr Lewis will be appointed to the Board on Completion.

2. TIMETABLE

Event	Date
Lodgement of Prospectus with ASIC and ASX	10 September 2019
Lodgement of Appendix 3B and Application for Quotation	10 September 2019
Notice sent to Optionholders and Partly Paid Shareholders	10 September 2019
Notice sent to Shareholders	12 September 2019
Ex-date	13 September 2019
Record Date for determining Entitlements	16 September 2019
Satisfied with conditions precedent/due diligence	16 September 2019
Completion of Transaction	16 September 2019
Board Appointments	16 September 2019
Prospectus sent out to Eligible Shareholders	18 September 2019
Last day to extend Closing Date	24 September 2019
Closing Date of Entitlement Offer*	30 September 2019
Shares quoted on a deferred settlement basis	1 October 2019
ASX (and Underwriter) notified of under subscriptions	3 October 2019
Entitlements Issue Underwriting Completed	4 October 2019
Issue date of Shares under the Entitlement Offer	7 October 2019
Shares entered into Shareholders' security holdings	
Quotation of Shares issued under the Entitlement Offer*	8 October 2019

*The Directors may extend the Closing Date by giving at least 3 Business Days' notice to ASX prior to the Closing Date. As such the date the Shares are expected to commence trading on ASX may vary.

3. IMPORTANT NOTES

This Prospectus is dated 10 September 2019 and was lodged with the ASIC on that date. ASIC, the ASX and their respective officers take no responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates.

No Shares or Options may be issued on the basis of this Prospectus later than 13 months after the date of this Prospectus.

No person is authorised to give information or to make any representation in connection with this Prospectus, which is not contained in the Prospectus. Any information or representation not so contained may not be relied on as having been authorised by the Company in connection with this Prospectus.

It is important that investors read this Prospectus in its entirety and seek professional advice where necessary. The Shares the subject of this Prospectus should be considered highly speculative.

Applications for Shares offered pursuant to this Prospectus can only be submitted via an original Entitlement and Acceptance Form or Shortfall Application Form.

This Prospectus is a transaction specific prospectus for an offer of continuously quoted securities (as defined in the Corporations Act) and has been prepared in accordance with section 713 of the Corporations Act. It does not contain the same level of disclosure as an initial public offering prospectus. In making representations in this Prospectus regard has been had to the fact that the Company is a disclosing entity for the purposes of the Corporations Act and certain matters may reasonably be expected to be known to investors and professional advisers whom potential investors may consult.

3.1 Risk factors

Potential investors should be aware that subscribing for Shares in the Company involves a number of risks. The key risk factors of which investors should be aware are set out in Section 4 and a detailed overview of risk factors is set out in Section 8 of this Prospectus. These risks together with other general risks applicable to all investments in listed securities not specifically referred to, may affect the value of the Shares in the future. Accordingly, an investment in the Company should be considered highly speculative. Investors should consider consulting their professional advisers before deciding whether to apply for Shares and Options pursuant to this Prospectus.

4. KEY INVESTMENT HIGHLIGHTS AND INVESTMENT RISKS

4.1 Key Investment Highlights

- The Company has entered into a binding agreement with Gemini Resources Limited, a private UK company, to earn a 35% interest in the Gora and Nowa Sol oil & gas projects in Poland by spending a total of A\$6.15 million¹ on the Projects.
- Completion under the Transaction Agreement is expected to occur by no later than 16 September 2019.
- The Entitlement Issue will help fund the Company's obligations to carry out work programmes on the Projects.
- The Entitlement Issue will also provide funding for administration fees, Director's remuneration, obligatory overheads and other projects.
- The Entitlement Issue is fully underwritten.

4.2 Key Investment Risks

- The Company's strategy is focused on oil & gas exploration. Oil & gas exploration is a speculative endeavour and the nature of the business carries a degree of risk associated with the discovery of hydrocarbons in commercial quantities.
- There is no assurance that any exploration on current or future licence permits will result in the discovery of economic reserves. Even if an apparently viable deposit is identified, there is no guarantee that it can be economically developed.
- The Company is a party to the Nkembe Production Sharing Contract in Gabon. The Company is in dispute with the Director General of Hydrocarbons concerning the Nkembe Production Sharing Contract and has claimed force majeure as a consequence of that dispute. There is a significant risk as to the Company's ability to maintain its interest in the Production Sharing Contract in the light of the dispute. The Company may also receive a legal claim against it arising from the dispute and may need to incur costs in defending any such claim.
- The Company's wholly owned subsidiary, Pura Vida Mauritius, is a party to the Ambilobe Production Sharing Contract in Madagascar. The Company is in discussion with the relevant Madagascan government department regarding a two-year extension of the Production Sharing Contract. It is possible that the Company will not be able to reach an agreement for the extension in which case it is possible that the Production Sharing Contract may be terminated. The Company's subsidiary has fees owing to the Madagascan government in the sum of US\$293,492 and a work commitment of US\$2.5 million which it may not be able to meet in the absence of securing the extension and reaching an agreement to farm out the Production Sharing Contract.

¹ Based on an exchange rate of 1AUD: 0.55 GBP or 1AUD: 0.71USD

5. DETAILS OF THE ENTITLEMENT OFFER

5.1 Background to the Entitlement Offer

Transaction

As announced on 4 July 2019 (**Announcement**), Pura Vida Energy NL (to be renamed "Ansila Energy NL") (**PVD** or the **Company**) has entered into a binding agreement (**Transaction Agreement**) with Gemini Resources Limited (**Gemini** or **GRL**), a private UK company, to earn a 35% interest in the Gora and Nowa Sol projects (together the **Projects**) by spending a total of A\$6.15 million² on the Projects (**Transaction**).

Full details of the Projects, including the location, history, mineralisation and industry outlook are set out in the Announcement and the accompanying investor presentation released to the ASX on 4 July 2019 which is incorporated into this Prospectus as noted in Section 10.2.

Completion of the Transaction (**Completion**) is conditional on the satisfaction (or waiver) of a number of conditions by no later than 16 September 2019, including but not limited to:

- (a) technical, legal and financial due diligence on GRL, its business, operations and the Projects; and
- (b) both PVD and GRL obtaining any necessary shareholder and regulatory approvals to proceed with the Transaction.

It is proposed that PVD will directly subscribe for shares in both GRL's wholly owned subsidiaries, Gora Energy and Liesa Energy, for a 35% equity interest in both subsidiaries, and thus an indirect 35% interest in the Gora and Nowa Sol licences, in consideration for funding work programmes on the Projects of £3,380,000 (A\$6,150,000³), with shareholder and operating agreements for both Projects to be agreed by 16 September 2019.

In addition to funding the work programmes, the Company has paid GRL an exclusivity fee in the amount of £250,000 in consideration for the exclusive right to the acquire an interest in the Projects (**Exclusivity Fee**). The Exclusivity Fee is non-refundable except in limited circumstances, including in the case of material adverse issues with the title of the Project licences, the intentional withholding of due diligence information from the Company, and misrepresentation or fraudulent conduct by GRL. On Completion, the Exclusivity Fee will automatically convert into ordinary shares in GRL.

A summary of the Transaction Agreement is set out in Section 9.3.

Placement and Entitlement Issue

On 11 and 15 July 2019 the Company completed a placement of 55,555,556 Shares to sophisticated investors at an issue price of A\$0.018 to raise A\$1,000,000 (before costs) (**Placement**) utilising the Company's ASX Listing Rule 7.1 and 7.1A placement capacities.

CPS Capital Group Pty Ltd (**CPS**) acted as lead manager of the Placement and has agreed to fully underwrite the Entitlement Issue.

In consideration for its services, CPS will receive:

- (a) 25,000,000 Shares issued at a deemed issue price of A\$0.018 per share by way of a corporate advisory fee;

² Based on an exchange rate of 1AUD: 0.55 GBP or 1AUD: 0.71USD

³ Based on A\$ to GBP exchange rate of 1 AUD:0.55 GBP

- (b) a 6% fee of all funds raised under the Capital Raisings (A\$223,926); and
- (c) 20,000,000 options exercisable at 4 cents expiring on or before 31 December 2022 (**Options**).

In addition to the above, the Company also proposes to issue:

- (d) 40,000,000 Performance Rights to various consultants and advisors who assisted the Company either in facilitating the Transaction or with the Capital Raisings, none of whom are related parties of the Company (**Advisors**);
- (e) 48,267,482 Performance Rights to existing directors and proposed new directors (**Related Parties**) as incentive-based remuneration for services to the Company; and
- (f) 5,000,000 Shares to various parties who facilitated and introduced the Transaction (being Dr Andrew Matharu, Mr Christopher Lewis and Alternative Resource Capital) (**Facilitators**).

The terms of the Options are set out in Section 7.2. The terms of the Performance Rights are set out in Section 7.3.

The funds raised from the Capital Raisings are intended to be used in accordance with the table set out in Section 6.1. The capital structure of the Company on completion of the Transaction and the Capital Raisings is set out in Section 6.4.

The Company does not require the funds that will be raised under the Entitlement Issue to be used in order to achieve Completion under the Transaction Agreement. The Entitlement Issue is conditional on Completion occurring under the Transaction Agreement. In the event of Completion not occurring, all funds raised under the Entitlement Issue will be returned to Shareholders and the Underwriter has agreed to waive its fee associated with underwriting the Entitlement Offer.

5.2 Additions to Board and Management Team

Dr Andrew Matharu and Mr Christopher Lewis will join the board of PVD, with effect from Completion. Dr Andrew Matharu will join the board as Executive Director and Mr Christopher Lewis will join the board as Technical Director.

Dr Andrew Matharu

Andrew Matharu is an oil & gas sector professional with over 24 years' experience and commenced his career as a Petroleum Engineer with Chevron and Kerr-McGee Oil working in the UK North Sea.

Following a move into oil & gas investment banking he has acquired extensive experience of advising small and mid-cap oil & gas companies in the area of equity capital markets following a variety of corporate finance and institutional equity roles at JP Morgan-Cazenove, Bridgewater Securities, Numis and Westhouse Securities. His most recent role was in corporate and business development with the Africa-focussed AIM-listed explorer, Tower Resources plc, where he was involved in several corporate and asset M&A transactions and capital raisings.

Andrew holds a BEng(Hons) degree in Chemical Engineering from the University of Sheffield, a PhD in Chemical Engineering from the University of Cambridge and is a Chartered Engineer.

Mr Christopher Lewis

Christopher Lewis is a geophysicist with over 25 years oil & gas experience. Chris has held senior technical and executive positions for the last 15 years, has managed E&P operations in Europe and Africa, and was the CEO and founder of a Romanian focussed E&P company from 2005 to 2009. Chris was VP Exploration for Centric Energy in 2010, during which time the company was awarded a highly prospective license onshore Kenya, secured an attractive farm-out to Tullow Oil and eventually sold the company to Africa Oil Corp. Chris has also been involved in other successful ventures including Lion Petroleum which was reversed into a TSX listed entity and Blackstar Exploration, sold to Impact Oil and Gas.

Chris also has very broad operational experience with exploration and development projects, planning and executing seismic acquisition programs, planning and delivering well workovers and drilling of new wells. As a geophysicist has expertise in 2D/3D seismic interpretation, velocity modelling and depth conversion, quantitative seismic interpretation, exploration workflows from basin scale evaluations to prospect generation, appraisal and development planning, volumetric estimations, risking, reserves estimation and A&D evaluations.

Chris has authored and presented a course on quantitative seismic interpretation and papers on geostatistical depth conversion and seismic inversion and is experienced in new ventures initiation, evaluation and negotiation, and exploration and subsurface management.

The Executive Services Agreements for Dr Matharu and Mr Lewis are summarised in Section 9.4.

5.3 The Entitlement Offer

The Entitlement Offer is being made as a non-renounceable entitlement issue of one (1) new Share for every two (2) Shares held by Shareholders registered at the Record Date at an issue price of \$0.018 per Share. Fractional entitlements will be rounded up to the nearest whole number.

The Company has a total of 5,703,550 partly paid shares on issue (**Partly Paid Shares**). The Partly Paid Shares are paid up to \$0.01, with a further \$0.19 payable in order to become fully paid. The holders of Partly Paid Shares will be given the opportunity to participate under the Entitlement Offer pro-rata to the proportion of the total issue price paid up on their Partly Paid Shares (that is, in respect of 1/20th of their Partly Paid Shares).

Based on the capital structure of the Company as at the date of this Prospectus, a total of approximately 151,783,212 Shares will be offered pursuant to the Entitlement Offer to raise up to \$2,732,098.

All of the Shares offered under this Prospectus will rank equally with the Shares on issue at the date of this Prospectus. Please refer to Section 7.1 for information regarding the rights and liabilities attaching to the Shares.

As at the date of this Prospectus, the Company has 12,000,000 options on issue, all of which must be exercised prior to the Record Date in order for the holder to participate in the Entitlement Offer.

The purpose of the Entitlement Offer and the intended use of funds raised (together with funds raised under the Placement) are set out in Section 6.1.

The Entitlement Offer is non-renounceable. Accordingly, a Shareholder may not sell or transfer all or part of their Entitlement.

5.4 Underwriter Offer

Pursuant to this Prospectus, the Company also offers 25,000,000 Shares and 20,000,000 Options to the Underwriter (or its nominees) in part consideration for underwriting the Entitlement Offer and for corporate advisory and broking services to the Company (**Underwriter Offer**).

The Underwriter Offer is personal to the Underwriter and only the Underwriter (or its nominee) may apply for the Shares and the Options under the Underwriter Offer. A personalised application form will be issued to the Underwriter (or its nominees) together with a copy of this Prospectus. The number of Shares and Options to be offered to the Underwriter (or its nominees) will be outlined on the application form provided by the Company and must be completed and returned to the address as outlined on the application form by no later than 5:00pm (WST) on the Closing Date.

5.5 Facilitator Offer

Pursuant to this Prospectus, the Company also offers 5,000,000 Shares in aggregate to the Facilitators in consideration of introducing and facilitating the Transaction (**Facilitator Offer**).

The Facilitator Offer is personal to the Facilitators and only the Facilitators may apply for the Shares under the Facilitator Offer. A personalised application form will be issued to the Facilitators together with a copy of this Prospectus. The number of Shares to be offered to each Facilitator will be outlined on the application form provided by the Company and must be completed and returned to the address as outlined on the application form by no later than 5:00pm (WST) on the Closing Date.

5.6 Minimum subscription

There is no minimum subscription.

5.7 Acceptance of Entitlement Offer

Your acceptance of the Entitlement Offer must be made on the Entitlement and Acceptance Form accompanying this Prospectus. Your acceptance must not exceed your Entitlement as shown on that form, unless you intend to apply for additional Shares under the Shortfall Offer (refer to Sections 5.7(b) and 5.14 for further information), in which case the additional Shares applied for will be deemed to be an application for Shares under the Shortfall Offer.

You may participate in the Entitlement Offer as follows:

- (a) if you wish to accept your **full** Entitlement:
 - (i) complete the Entitlement and Acceptance Form (form not required if payment made by BPAY®); and
 - (ii) make your payment by BPAY® or attach your cheque, drawn on an Australian bank or bank draft made payable in Australian currency, for the amount indicated on the Entitlement and Acceptance Form; and
- (b) if you wish to apply for **additional** Shares after accepting your full Entitlement in accordance with Section 5.7(a), then:
 - (i) fill in the number of additional Shares you wish to apply for in the space provided on the Entitlement and Acceptance Form (form not required if payment made by BPAY®); and

- (ii) make your payment by BPAY® or attach your cheque, drawn on an Australian bank or bank draft made payable in Australian currency, for the appropriate application monies; or
- (c) if you only wish to accept **part** of your Entitlement:
 - (i) fill in the number of Shares you wish to accept in the space provided on the Entitlement and Acceptance Form (form not required if payment made by BPAY®); and
 - (ii) make your payment by BPAY® or attach your cheque, drawn on an Australian bank or bank draft made payable in Australian currency, for the appropriate application monies; or
- (d) if you do not wish to accept all or part of your Entitlement, you are not obliged to do anything.

5.8 Payment by cheque/bank draft

All cheques must be drawn on an Australian bank or bank draft made payable in Australian currency to “Pura Vida Energy NL” and crossed “Not Negotiable”.

Your completed Entitlement and Acceptance Form and cheque must reach the Company’s share registry no later than 5:00 pm (AWST) on the Closing Date.

5.9 Payment by BPAY®

For payment by BPAY®, please follow the instructions on the Entitlement and Acceptance Form and quote your personalised reference number that has been provided on the personalised Entitlement and Acceptance Form. You can only make a payment via BPAY® if you are the holder of an account with an Australian financial institution that supports BPAY® transactions. Please note that should you choose to pay by BPAY®:

- (a) you do not need to submit the Entitlement and Acceptance Form but are taken to have made the declarations on that Entitlement and Acceptance Form; and
- (b) if you do not pay for your Entitlement in full, you are deemed to have taken up your Entitlement in respect of such whole number of Shares which is covered in full by your application monies.

It is your responsibility to ensure that your BPAY® payment is received by the share registry by no later than 5:00 pm (AWST) on the Closing Date. You should be aware that your financial institution may implement earlier cut-off times with regards to electronic payment and you should therefore take this into consideration when making payment. Any application monies received for more than your final allocation of Shares (only where the amount is \$1.00 or greater) will be refunded. No interest will be paid on any application monies received or refunded.

5.10 Implications of an acceptance

Returning a completed Entitlement and Acceptance Form with a cheque or paying any application monies by BPAY® will be taken to constitute a representation by you that:

- (a) you have received a copy of this Prospectus and the accompanying Entitlement and Acceptance Form, and read them both in their entirety;
- (b) you acknowledge that once the Entitlement and Acceptance Form is returned, or a BPAY® payment instruction is given in relation to any application monies, the application may not be varied or withdrawn except as required by law.

5.11 Underwriting

The Entitlement Offer is fully underwritten by the Underwriter. Refer to Section 9.2 for details of the terms of the underwriting.

5.12 Effect on control of the Company

The Underwriter is presently not a Shareholder of the Company and to the extent to which Shares are issued pursuant to the underwriting will increase the Underwriter's voting power in the Company. The Underwriter is not a related party of the Company for the purposes of the Corporations Act. The Underwriter's present relevant interest and changes under several scenarios are set out in the table below:

Event	Shares held by Underwriter	Voting power of Underwriter
Date of Prospectus	Nil	Nil
Completion of Entitlement Issue:		
Fully subscribed	Nil	Nil
75% subscribed	62,945,803	13.0%
50% subscribed	100,891,606	20.8%
25% subscribed	138,837,409	28.6%
0% subscribed	176,783,212	36.4%

The number of Shares held by the Underwriter and its voting power in the table above show the potential effect of the underwriting of the Entitlement Offer. The table above is based on those Shares proposed to be issued under the Entitlement Offer, the Underwriter Offer and the Facilitators Offer (being a total of 181,783,212 Shares) and is on an undiluted basis. The table also assumes that the voting power of the Underwriter is not reduced to the extent that sub-underwriters take up any Shortfall.

Please note CPS is entitled to receive, as part of its underwriting and lead manager fee, 25,000,000 Shares and 20,000,000 Options (refer to the summaries of the Lead Manager Mandate and the Underwriting Agreement in Section 9) which has been factored into the above table.

It is a term of the Underwriting Agreement that no person will acquire through participation in sub-underwriting the Entitlement Offer a relevant interest in more than 19.9% of all Shares on issue on completion of the Entitlement Offer.

5.13 Potential dilution to Shareholders

Shareholders should note that if they do not participate in the Entitlement Offer, their holdings are likely to be diluted by approximately 33% (as compared to their holdings and number of Shares on issue as at the date of the Prospectus). Examples of how the dilution may impact Shareholders is set out in the table below with varying holdings of number of shares is set out for illustrative purposes:

Holder	Holding as at Record date	% at Record Date	Entitlements under the Entitlement Offer	Holdings if Entitlement Offer not taken Up	% post Entitlement Offer if not taken up
Shareholder 1	50,000,000	16.5%	25,000,000	50,000,000	11.0%
Shareholder 2	25,000,000	8.2%	12,500,000	25,000,000	5.5%
Shareholder 3	10,000,000	3.3%	5,000,000	10,000,000	2.2%
Shareholder 4	5,000,000	1.6%	2,500,000	5,000,000	1.1%
Shareholder 5	1,000,000	0.3%	500,000	1,000,000	0.2%

The dilutionary effect shown in the table is the maximum percentage on the assumption that those Entitlements not accepted are placed under the Shortfall Offer or the Underwriting Agreement. Percentages post-Entitlement Offer have been calculated on the basis of there being 455,349,636 Shares on issue on completion of the Entitlement Offer (on an undiluted basis) and excludes any other Shares to be issued. Refer to Section 6.4 for further details of the Company's capital structure.

5.14 Shortfall Offer

Any Entitlement not taken up pursuant to the Entitlement Offer will form the Shortfall Offer. The Shortfall Offer is a separate offer pursuant to this Prospectus.

Eligible Shareholders may apply for Shares under the Shortfall Offer by following the instructions on their Entitlement and Acceptance Form, subject to such applications being received by the Closing Date. The issue price for each Share to be issued under the Shortfall Offer shall be \$0.018 being the price at which Shares have been offered under the Entitlement Offer.

Following consultation with the Company and having taken into account applications received by the Company in respect of the allocation of Shortfall Shares, the Underwriter has the sole right to nominate and determine (following reasonable consultation with, and due consideration of any comments provided by, the Company) who is to receive the Shortfall Shares.

5.15 ASX listing

Application for Official Quotation of the Shares offered pursuant to this Prospectus will be made in accordance with the timetable set out at the commencement of this Prospectus. If ASX does not grant Official Quotation of the Shares offered pursuant to this Prospectus before the expiration of three (3) months after the date of issue of the Prospectus, (or such period as varied by the ASIC), the Company will not issue any Shares and will repay all application monies for the Shares within the time prescribed under the Corporations Act, without interest.

The fact that ASX may grant Official Quotation to the Shares is not to be taken in any way as an indication of the merits of the Company or the Shares now offered for subscription.

5.16 Issue

Shares issued pursuant to the Entitlement Offer will be issued in accordance with the ASX Listing Rules and timetable set out at the commencement of this Prospectus.

Shares issued pursuant to the Shortfall Offer will be issued in accordance with the Underwriting Agreement. Where the number of Shares issued is less than the number applied for, or where no issue is made, surplus application monies will be refunded without any interest to the Applicant as soon as practicable after the closing date of the Shortfall Offer.

Pending the issue of the Shares or payment of refunds pursuant to this Prospectus, all Application Monies will be held by the Company in trust for the Applicants in a separate

bank account as required by the Corporations Act. The Company, however, will be entitled to retain all interest that accrues on the bank account and each Applicant waives the right to claim interest.

Holding statements for Shares issued under the Entitlement Offer will be mailed in accordance with the ASX Listing Rules and timetable set out at the commencement of this Prospectus and for Shortfall Shares issued under the Shortfall Offer as soon as practicable after their issue.

5.17 Overseas shareholders

This Prospectus is only intended to be distributed and made available to existing Shareholders of the Company and is personal to each Shareholder to whom it has been delivered. This Entitlement Offer does not, and is not intended to, constitute an offer in any place or jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer or to issue this Prospectus.

It is not practicable for the Company to comply with the securities laws of overseas jurisdictions having regard to the number of overseas Shareholders, the number and value of Shares these Shareholders would be offered and the cost of complying with regulatory requirements in each relevant jurisdiction. Accordingly, the Entitlement Offer is not being extended and Shares will not be issued to Shareholders with a registered address which is outside Australia and New Zealand.

New Zealand

The Shares are not being offered to the public within New Zealand other than to existing shareholders of the Company with registered addresses in New Zealand to whom the offer of these securities is being made in reliance on the transitional provisions of the Financial Markets Conduct Act 2013 (New Zealand) and the Financial Markets Conduct (Incidental Offers) Exemption Notice 2016 (New Zealand).

This Prospectus has been prepared in compliance with Australian law and has not been registered, filed with or approved by any New Zealand regulatory authority. This document is not a product disclosure statement under New Zealand law and is not required to, and may not, contain all the information that a product disclosure statement under New Zealand law is required to contain.

5.18 Taxation implications

The Directors do not consider it appropriate to give Shareholders advice regarding the taxation consequences of subscribing for Shares under this Prospectus. The Company, its advisers and its officers do not accept any responsibility or liability for any such taxation consequences to Shareholders. As a result, Shareholders should consult their professional tax adviser in connection with subscribing for Shares under this Prospectus.

5.19 Enquiries

Enquiries concerning the Entitlement Offer should be directed to the Company Secretary, Mr John Kay by telephone on +61 8 9226 2011.

6. PURPOSE AND EFFECT OF THE ENTITLEMENT OFFER

6.1 Purpose of the Entitlement Offer

The purpose of the Entitlement Offer is to raise \$2,732,098. Together with the recent Placement (\$1,000,000), the total funds raised will be \$3,732,098.

The funds raised from both the Entitlement Offer and the Placement are planned to be used in accordance with the table set out below:

	\$(AUD)	%
<u>SOURCE OF FUNDS</u>		
PVD available cash as at 1 July 2019	5,795,000	61
Gross proceeds from Capital Raisings	3,732,098	39
TOTAL	9,527,098	100
<u>ESTIMATED APPROXIMATE USE OF FUNDS¹</u>		
Work Programme for Gora Licence ^{1,2}	3,900,000	41
Work Programme for Nowa Sol Licence ^{1,3}	2,250,000	24
Capex Sub-Total	(6,150,000)	(65)
Costs of the Capital Raisings ⁴	300,000	3
Corporate Costs, Other Projects and Working Capital ^{5,6}	3,077,098	32
TOTAL	9,527,098	100

Notes:

1. Based on an exchange rate of 1AUD: 0.55GBP.
2. Free carry GRL and sole fund a two-stage proppant fracture stimulation and flow test of the Siciny-2 well up to a total gross value of £2.15 million (A\$3.9 million). The work program will include operations design and preparation, site and well preparation, frack, completion, testing and operations supervision.
3. Free carry GRL and sole fund a single stage proppant fracture stimulation and flow test on the Jany-C1 well up to total gross value of £1.23 million (A\$2.25 million). The work program will include operations design and preparation, site and well preparation, frack, completion, testing and operations supervision. Funding specifically excludes any working interest in the Czaslaw SL-1 and Lelechow SL-1 wells.
4. Refer to Section 10.7 of this Prospectus for further details relating to the estimated expenses of the Entitlement Offer.
5. Expenditure on other projects includes approximately \$326,000 the Company has invested into a UK private entity, Hartshead Resources Ltd which is undertaking an application process to acquire certain prospective oil & gas licences in the South North Sea, offshore United Kingdom.
6. Funds allocated to corporate costs and working capital will be used for administration fees, Director's remuneration and obligatory overheads.

The above tabled expenditures represent a statement of current intentions as of the date

of this Prospectus. As with any budget, intervening events and new circumstances have the potential to affect the manner in which the funds are ultimately applied. The Board reserves the right to alter the way funds are applied on this basis. The Board believes it will have sufficient working capital to carry out its objectives.

6.2 Effect of the Entitlement Offer

The principal effect of the Placement and the Entitlement Offer, assuming all Entitlements are accepted or all of the Underwritten Shares are subscribed for under the Underwriting Agreement, will be to:

- (a) increase the cash reserves of the Company by \$3,732,098 (before deducting the estimated expenses of the Entitlement Offer) immediately after completion of the Entitlement Offer; and
- (b) increase the number of Shares on issue from 303,566,424 as at the date of this Prospectus to 455,349,636 Shares following the completion of the Entitlement Offer.

6.3 Pro-forma consolidated balance sheet

The unaudited pro-forma balance sheet as at 30 June 2019 shown below has been prepared on the basis of the accounting policies normally adopted by the Company and reflect the changes to its financial position.

The pro-forma balance sheet has been prepared assuming all Entitlements are accepted, including expenses of the Entitlement Offer.

The pro-forma balance sheet has been prepared to provide investors with information on the assets and liabilities of the Company and pro-forma assets and liabilities of the Company as noted below. The historical and pro-forma financial information is presented in an abbreviated form, insofar as it does not include all of the disclosures required by Australian Accounting Standards applicable to annual financial statements.

Pura Vida Energy NL	30-Jun-19 (Unaudited)	Pro forma adjustments					Capital Raising	Adjusted (Unaudited)
			Investments		Options in lieu of fees	Shares in lieu of fees		
Notes	\$	Hartshead	Gemini	Polish Assets				\$
		1	2	3, 4, 8	5	6	7	
Current Assets								
Cash and cash equivalents	5,794,542	(326,230)	-	(65,525)	-	-	3,432,098	8,834,885
Trade and other receivables	496,788	-	(459,533)	-	-	-	-	37,255
Total current assets	6,291,330							8,872,140
Non-Current Assets								
Financial Assets	797,970	326,230	459,533	-	-	-	-	1,583,733
Investment in associate - Liesa	-	-	-	13,105	-	-	-	13,105
Investment in associate - Gora	-	-	-	52,420	-	-	-	52,420
Total non-current assets	797,970							1,649,259
Total assets	7,089,301							10,521,399
Current liabilities								
Trade and other payables	733,381	-	-	-	-	-	-	733,381
Total current liabilities	733,381							733,381
Total non-current liabilities	-							-
Total liabilities	733,381							733,381
Net assets	6,355,920							9,788,018
Equity								
Contributed equity	50,830,012	-	-	-	(195,845)	540,000	3,508,172	54,682,339
Reserve	4,369,779	-	-	-	195,845	-	-	4,565,624
Accumulated losses	(48,843,871)	-	-	-	-	(540,000)	(76,074)	(49,459,945)
Total equity	6,355,920							9,788,018

Notes to the Proforma:

1. Investment Hartshead Resources of 36,078 shares @ GBP 5.10 on 18 July 2019.
AUD:GBP exchange rate of 0.56402
2. A fee of £250,000 has been paid in consideration for the exclusive right to the acquire an interest in the Projects (Exclusivity Fee). On Completion, the Exclusivity Fee will automatically convert into ordinary shares in Gemini Resources.
AUD:GBP exchange rate of 0.5440
3. Pura Vida will pay 140,000 zloty to acquire a 35% interest in Liesa Energy Sp. z o.o.
PLN:AUD exchange rate of 0.3744 has been used
4. Pura Vida will pay 35,000 zloty to acquire a 35% interest in Gora Energy Sp.z o.o.
PLN:AUD exchange rate of 0.3744 has been used
5. Options issued as corporate advisory fee associated with the capital raise have been valued using the Black Scholes model.
6. Corporate advisory fee (25,000,000 ordinary fully paid shares) and introduction and facility fee (5,000,000 ordinary fully paid shares) have been valued at the issue price of \$0.018.
7. Assumes full subscription of \$3,732,098 is raised under the Capital Raisings less broker fees of \$223,926 and other costs of \$76,074.
8. The acquisitions of shares in Liesa Energy and Gora Energy are accounted for as investment in joint ventures.

6.4 Effect on capital structure

The effect of the Entitlement Offer on the capital structure of the Company, assuming all Entitlements are accepted or all of the Underwritten Shares are subscribed for under the Underwriting Agreement, is set out below:

Item	Shares	Partly Paid Shares	Options	Performance Rights
Currently on issue	303,566,424	5,703,550 ¹	12,000,000 ²	Nil
Issued pursuant to the Entitlement Offer	151,783,212	Nil	Nil	Nil
Corporate advisory fee	25,000,000	Nil	Nil	Nil
Broker fee associated with the Capital Raisings	Nil	Nil	20,000,000 ³	Nil
Introduction and facilitation fee	5,000,000 ⁴	Nil	Nil	Nil
Issue to Advisors	Nil	Nil	Nil	40,000,000 ⁵
Issue to Related Parties	Nil	Nil	Nil	48,267,482 ⁶
TOTAL	485,349,635	5,703,550	32,000,000	88,267,482

Notes:

1. The Partly Paid Shares are paid up to \$0.01, with a further \$0.19 payable in order to become fully paid. Holders of Partly Paid Shares will be given the opportunity to participate under the Entitlement Offer pro-rata to the proportion of the total issue price paid up on their Partly Paid Shares.
2. These options are exercisable at \$0.065 expiring on or before 30 November 2019.
3. The Options are exercisable at \$0.04 expiring on or before 31 December 2022. The full terms of the Options are set out in Section 7.2.
4. These Shares will be allocated amongst the Facilitators (being the incoming directors, Dr Andrew Matharu and Mr Christopher Lewis, and to Alternative Resource Capital (corporate advisor to the

Company)) in consideration for introducing and facilitating the Transaction.

5. These Performance Rights will be issued in accordance with the terms set out in Section 7.3.
6. These Performance Rights will be issued in accordance with the terms set out in Section 7.3.

6.5 Substantial holders

Based on substantial shareholding information given to the Company as at the date of this Prospectus, no persons have a relevant interest in 5% or more of the Shares in the Company.

7. RIGHTS AND LIABILITIES ATTACHING TO SECURITIES

7.1 Shares

The following is a summary of the more significant rights and liabilities attaching to Shares being offered pursuant to this Prospectus. This summary is not exhaustive and does not constitute a definitive statement of the rights and liabilities of Shareholders. To obtain such a statement, persons should seek independent legal advice.

Full details of the rights and liabilities attaching to Shares are set out in the Constitution, a copy of which is available for inspection at the Company's registered office during normal business hours.

(a) General meetings

Shareholders are entitled to be present in person, or by proxy, attorney or representative to attend and vote at general meetings of the Company.

Shareholders may requisition meetings in accordance with section 249D of the Corporations Act and the Constitution of the Company.

(b) Voting rights

Subject to any rights or restrictions for the time being attached to any class or classes of shares, at general meetings of shareholders or classes of shareholders:

- (i) each Shareholder entitled to vote may vote in person or by proxy, attorney or representative;
- (ii) on a show of hands, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder has one vote; and
- (iii) on a poll, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder shall, in respect of each fully paid Share held by him, or in respect of which he is appointed a proxy, attorney or representative, have one vote for each Share held, but in respect of partly paid shares shall have such number of votes as bears the same proportion to the total of such Shares registered in the Shareholder's name as the amount paid (not credited) bears to the total amounts paid and payable (excluding amounts credited).

(c) Dividend rights

Subject to the rights of any preference Shareholders and to the rights of the holders of any shares created or raised under any special arrangement as to dividend, the Directors may from time to time declare a dividend to be paid to the Shareholders entitled to the dividend which shall be payable on all Shares according to the proportion that the amount paid (not credited) is of the total amounts paid and payable (excluding amounts credited) in respect of such Shares.

The Directors may from time to time pay to the Shareholders any interim dividends as they may determine. No dividend shall carry interest as against the Company. The Directors may set aside out of the profits of the Company any amounts that they may determine as reserves, to be applied at the discretion of the Directors, for any purpose for which the profits of the Company may be properly applied.

Subject to the ASX Listing Rules and the Corporations Act, the Company may, by resolution of the Directors, implement a dividend reinvestment plan on such

terms and conditions as the Directors think fit and which provides for any dividend which the Directors may declare from time to time payable on Shares which are participating Shares in the dividend reinvestment plan, less any amount which the Company shall either pursuant to the Constitution or any law be entitled or obliged to retain, be applied by the Company to the payment of the subscription price of Shares.

(d) **Winding-up**

If the Company is wound up, the liquidator may, with the authority of a special resolution, divide among the Shareholders in kind the whole or any part of the property of the Company, and may for that purpose set such value as the liquidator considers fair upon any property to be so divided, and may determine how the division is to be carried out as between the Shareholders or different classes of Shareholders.

The liquidator may, with the authority of a special resolution, vest the whole or any part of any such property in trustees upon such trusts for the benefit of the contributories as the liquidator thinks fit, but so that no Shareholder is compelled to accept any shares or other securities in respect of which there is any liability.

(e) **Shareholder liability**

As the Shares issued will be fully paid shares, they will not be subject to any calls for money by the Directors and will therefore not become liable for forfeiture.

(f) **Transfer of shares**

Generally, shares in the Company are freely transferable, subject to formal requirements, the registration of the transfer not resulting in a contravention of or failure to observe the provisions of a law of Australia and the transfer not being in breach of the Corporations Act and the ASX Listing Rules.

(g) **Future increase in capital**

The issue of any new Shares is under the control of the Directors of the Company. Subject to restrictions on the issue or grant of Securities contained in the ASX Listing Rules, the Constitution and the Corporations Act (and without affecting any special right previously conferred on the holder of an existing share or class of shares), the Directors may issue Shares as they shall, in their absolute discretion, determine.

(h) **Variation of rights**

Under section 246B of the Corporations Act, the Company may, with the sanction of a special resolution passed at a meeting of Shareholders vary or abrogate the rights attaching to shares.

If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class), whether or not the Company is being wound up, may be varied or abrogated with the consent in writing of the holders of three quarters of the issued shares of that class, or if authorised by a special resolution passed at a separate meeting of the holders of the shares of that class.

(i) **Alteration of constitution**

In accordance with the Corporations Act, the Constitution can only be amended by a special resolution passed by at least three quarters of Shareholders present and voting at the general meeting. In addition, at least 28 days written notice

specifying the intention to propose the resolution as a special resolution must be given.

7.2 Options

(a) **Entitlement**

Each Option entitles the holder to subscribe for one Share upon exercise of the Option.

(b) **Exercise Price**

Subject to paragraph (i), the amount payable upon exercise of each Option will be \$0.04 (**Exercise Price**).

(c) **Expiry Date**

Each Option will expire at 5:00 pm (WST) on 31 December 2022 (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(d) **Exercise Period**

The Options are exercisable at any time on or prior to the Expiry Date (**Exercise Period**).

(e) **Notice of Exercise**

The Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

(f) **Exercise Date**

A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds (**Exercise Date**).

(g) **Timing of issue of Shares on exercise**

Within 15 Business Days after the Exercise Date, the Company will:

- (i) issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;
- (ii) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and
- (iii) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.

If a notice delivered under (g)(ii) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 Business Days after becoming aware of such notice being

ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.

(h) **Shares issued on exercise**

Shares issued on exercise of the Options rank equally with the then issued shares of the Company.

(i) **Reconstruction of capital**

If at any time the issued capital of the Company is reconstructed, all rights of an Optionholder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.

(j) **Participation in new issues**

There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options.

(k) **Change in exercise price**

An Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Option can be exercised.

(l) **Transferability**

The Options are transferable with the consent of the Company.

7.3 Performance Rights

(a) **Entitlement**

Each Performance Right will convert into a Share for no consideration upon exercise of the Performance Right by the holder.

(b) **Vesting Date and Expiry Date**

Upon achieving either Milestone 1, Milestone 2, Milestone 3, Milestone 4, Milestone 5, Milestone 6 or Milestone 7, a third (1/3) of the Performance Rights will be eligible to be converted into Shares upon exercise by the holder (**Vesting Date**). Therefore, once three (3) milestones have been achieved, 100% of the Performance Rights will be eligible to be converted into Shares.

Each Performance Right will expire on the date which is three (3) years from the date of issue (**Expiry Date**).

(c) **Exercise Period**

Subject to (d), a Performance Right may only be exercised at any time after the Vesting Date, and prior to the Expiry Date.

(d) **Vesting on Change of Control**

Any Performance Rights that have not yet vested will automatically vest upon a Change of Control. For these purposes, **Change of Control** means one or more of the following events occurring:

- (i) the bidder under a takeover bid in respect of all Shares has achieved acceptances in respect of more than 50.01% of Shares and that takeover bid has become unconditional;
- (ii) the announcement by the Company that its Shareholders have, at a court convened meeting of Shareholders, voted in favour, by the necessary majority, of a proposed scheme of arrangement under which all securities of the Company are to be either:
 - (A) cancelled; or
 - (B) transferred to a third party,and the court, by order, approves the proposed scheme of arrangement; or
- (iii) any person, individually or together with their associates, acquires a relevant interest in 50.01% or more of the total number of Shares on issue by any other means.

(e) **Notice of Exercise**

The Performance Rights may be exercised by notice in writing to the Company (**Notice of Exercise**). Any Notice of Exercise of a Performance Right received by the Company will be deemed to be a notice of exercise of that Performance Right as at the date of receipt.

(f) **Shares issued on exercise**

Shares issued on exercise of the Performance Rights rank equally with the then Shares of the Company.

(g) **Quotation of Shares on exercise**

Application will be made by the Company to ASX for quotation of the Shares issued upon the exercise of the Performance Rights within the period required by the ASX Listing Rules.

(h) **Participation in new issues**

There are no participation rights or entitlements inherent in the Performance Rights and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Performance Rights.

(i) **Adjustment for bonus issues**

If the Company makes a bonus issue of Shares or other securities to existing Shareholders (other than an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment) the number of Shares which must be issued on the exercise of a Performance Right will be increased by the number of Shares which the holder would have received if the holder had exercised the Performance Right before the record date for the bonus issue.

(j) **Adjustment for rights issue**

If the Company makes an issue of Shares pro rata to existing Shareholders there will be no adjustment of the number of Shares which must be issued on the exercise of the Performance Rights.

(k) **Adjustments for reorganisation**

If there is any reorganisation of the issued share capital of the Company, the rights of the holder may be varied to comply with the ASX Listing Rules which apply to a reorganisation of capital at the time of the reorganisation.

(l) **Quotation of Performance Rights**

No application for quotation of the Performance Rights will be made by the Company.

(m) **Performance Rights not transferable**

Performance Rights are not transferable unless the Board determines otherwise, or the transfer is required by law.

(n) **Performance Milestones**

- (i) Completion of an initial feasibility study that derives a Net Present Value (NPV) (utilising a discount rate of 10%) of the Gora project of not less than A\$200,000,000 based on a 2C Contingent Resource (**Milestone 1**);
- (ii) Securing necessary funding to undertake the drilling of an additional well at the Gora project or Nowa Sol project, including via equity or debt (or a combination of both) or other funding mechanism such as joint venture, farm-out or forward payments on a supply agreement (**Milestone 2**);
- (iii) The Company's VWAP over 10 consecutive trading days being at least \$0.05 (**Milestone 3**);
- (iv) The Company's VWAP over 10 consecutive trading days being at least \$0.08 (**Milestone 4**);
- (v) Securing necessary funding to commence production at the Gora project or Nowa Sol project, including via equity or debt (or a combination of both) or other funding mechanism such as joint venture, farm-out or forward payments on a supply agreement (**Milestone 5**);
- (vi) Execution of a binding gas sale agreement on the Gora project or oil sale agreement on the Nowa Sol project with a third party (**Milestone 6**); or
- (vii) Successful completion of Fracking and/or Flow Testing on the Gora and Nowa Sol project, including flowing of oil and gas to surface and all necessary data acquisition for project evaluation (**Milestone 7**).

8. RISK FACTORS

8.1 Introduction

The Shares offered under this Prospectus should be considered speculative because of the nature of the Company's business.

Potential investors should be aware that subscribing for Shares in the Company involves a number of risks. Prospective investors should read this Prospectus in its entirety before deciding whether to apply for Shares under this Prospectus.

There are numerous risk factors involved. Some of these risks can be mitigated by the use of safeguards and appropriate systems and controls, but some are outside the control of the Company and cannot be mitigated. Accordingly, an investment in the Company carries no guarantee with respect to the payment of dividends, return of capital or price at which Shares will trade.

These risks together with other general risks applicable to all investments in listed securities not specifically referred to, may affect the value of the Shares in the future. Investors should consider consulting their professional advisers before deciding whether to apply for Shares pursuant to this Prospectus.

8.2 Risks specific to the Entitlement Offer – potential for significant dilution

Upon completion of the Entitlement Offer, assuming all Entitlements are accepted (or all of the Underwritten Shares are subscribed for under the Underwriting Agreement) and no Options are exercised or Partly Paid Shares paid up prior to the Record Date, the number of Shares in the Company will increase from 303,566,424 to 455,349,636.

This means that each Share will represent a significantly lower proportion of the ownership of the Company. It is not possible to predict what the value of the Company or a Share will be following the completion of the Entitlement Offer and the Directors do not make any representation to such matters.

The last trading price of Shares on ASX prior to the Prospectus being lodged of \$0.017 is not a reliable indicator as to the potential trading price of Shares following completion of the Entitlement Offer.

Please refer to Section 5.13 for examples of how the potential dilutionary effect of the Entitlement Offer may impact Shareholders.

8.3 Risks specific to the Company

Subject to Completion of the Transaction, the Company aims to become a Polish onshore focused oil & gas explorer. The Company also has existing offshore oil & gas permits in Gabon and Madagascar as well as investments in other companies primarily in the oil and gas sector.

The international scope of the Company's operations, the nature of the oil & gas industry and external economic factors mean that a range of factors may impact results. The following is not intended to be an exhaustive list of the risk factors that could impact the Company's results and performance and should be read in conjunction with specific matters referred to in the Company's announcements and reports.

(a) Risks associated with the Company's existing assets

Gabon

The Company is a party to the Nkembe Production Sharing Contract (**PSC**) in Gabon entered into with the Director General of Hydrocarbons (**DGH**). The Company has committed substantial investment over a number of years in

Gabon, including a US\$9 million signing bonus paid in January 2013. The Company is currently in the first exploration phase of the PSC, which initially covered a period of 4 years. On 3 November 2016, the Company was granted a 12 month extension with no additional work commitments. The work commitments for the first exploration stage include the acquisition and processing of 3D seismic data and an exploration well. The PSC included an estimate of US\$17 million for the work commitments for the first exploration phase and the Company has expended approximately US\$1.4 million towards these work commitments. Separately to the committed work program, an additional US\$8.6 million of allowable costs have been incurred during the first exploration phase.

The Company has claimed force majeure in relation to the PSC since 1 April 2018, on the basis of a dispute with the DGH as to the status of the PSC. The effect of the dispute with the DGH has meant that the Company has been unable to make any progress with potential funding partners for an exploration well. Accordingly, until such time as the dispute is resolved it is not possible to quantify the likely commitment and/or payable (if any) in relation to the Nkembe PSC.

In the circumstances the Company does not intend to commit any further resources to the Nkembe Project unless the Company reaches a resolution with the DGH that enables the Company to obtain third party funding to conduct further exploration under the PSC. The Company has reserved all of its rights in relation to the PSC including a right to seek recovery of the signing bonus.

There is a risk that as a result of the dispute with the DGH the Company may receive a legal claim against it pursuant to the PSC (which provides for claims to be the subject of arbitration in Paris) and may need to incur costs in defending any such claim. There is also a significant risk as to the Company's ability to maintain its interest in the PSC in the light of the unresolved dispute with the DGH.

Madagascar

A wholly owned subsidiary of the Company, Pura Vida Mauritius (**PVM**), is a party to the Ambilobe Production Sharing Contract (**PSC**) in Madagascar. The third phase of the PSC was due to expire in July 2019, subject to PVM's right to seek a further two (2) year extension. PVM is in discussion with the relevant Madagascan government department (**OMNIS**) regarding this second special two-year extension of the PSC and PVM has requested to meet with OMNIS in November 2019.

It is possible that PVM will not be able to reach an agreement with OMNIS in relation to the second special two-year extension in which case it is possible that the PSC may be terminated. PVM also has fees owing to OMNIS in the sum of US\$293,492 and a work commitment of US\$2.5 million which it may not be able to pay in the absence of securing the second special two-year extension and reaching an agreement to farm out the PSC. Whilst the Company has not guaranteed any of the obligations of PVM, there is risk that the Company may incur costs if OMNIS makes any formal claim against PVM for these fees.

(b) Risks associated with the Transaction

Completion Risk

The Transaction Agreement is subject to a number of conditions precedent to be satisfied by no later than 16 September 2019 (**End Date**). If any one of these conditions cannot be satisfied (or waived) by the End Date, there is a risk that the Transaction Agreement could be terminated, and the Company will not be able to proceed with the Transaction and its proposed earn-in to the Projects.

In the event of this occurring, all funds raised under the Entitlement Offer will be returned to Shareholders and the Underwriter has agreed to waive its fee associated with underwriting and lead managing the Entitlement Offer.

Joint Operation Risk

Subject to Completion, the Company will be required to enter into shareholder and operating agreements (**SOAs**) with GRL and each of GRL's wholly owned Polish subsidiaries, Gora Energy and Liesa Energy, to earn a 35% interest in the Projects. The aim of the SOAs will be to regulate the interests, risks and obligations of the Company and GRL in the Projects.

Joint venture arrangements, amongst other things, mainly serve to mitigate the risk associated with exploration success and capital-intensive development phases. However, failure to establish alignment between joint venture partners, poor performance of third-party joint venture operators or the failure of joint venture partners to meet their commitments and share of costs and liabilities could have a material impact on the Company's business.

There is a contractual risk that GRL and/or GRL's subsidiaries may not perform their obligations under the SOAs. In the event GRL does not meet its contractual obligations there is a risk the Projects may be at risk of regulatory penalties, including financial penalties and/or forfeiture or cancellation of the permits. Furthermore, should the Company not perform its obligations under the SOAs, it could be liable for breach of contract, costs and penalties and even termination of the SOAs.

(c) **Future Capital Needs and Additional Funding Risk**

The funds raised under the Entitlement Offer are considered sufficient to meet the current objectives of the Company. It is likely that additional funding will be required in the future to effectively implement the Company's business and operations plans, to take advantage of opportunities for acquisitions or other business opportunities, and to meet any unanticipated liabilities or expenses which the Company may incur.

The Company may seek to raise further funds through equity or debt financing or other means. There can be no assurance that additional finance will be available when needed or, if available, the terms of the financing might not be favourable to the Company and might involve substantial dilution to Shareholders.

(d) **Hydraulic Fracturing**

Public debate exists regarding the potential sub-surface and surface impacts of hydraulic fracturing, including concern about the impacts of hydraulic fracturing on drinking water. In addition, there are many regulatory requirements to be adhered to. Additionally, hydraulic fracturing requires large volumes of water (the availability and regulation of which may change over time) and there are costs associated with water disposal that may be required should the Company produce water in its wells.

As more impacts of hydraulic fracturing are fully understood, it may be subject to additional regulations or restrictions from governmental authorities, resulting in increased compliance costs. Any modification to the current requirements may adversely impact the value of the Company's assets and future financial performance.

(e) **Exploration Risk**

Oil & gas exploration is a speculative endeavour and the nature of the business carries a degree of risk associated with the discovery of hydrocarbons in commercial quantities. Exploration risk may be adversely influenced by a number of different factors including, amongst other things, new subsurface geological and geophysical data (e.g. seismic data), drilling results from either wells drilled by the Company or other industry players, where the well drilled has direct relevance to the plays and prospects being pursued in its licence permits. This information impacts knowledge of the fundamental geological factors that are required to be present in order to have a hydrocarbon accumulation. These fundamental elements require there to be an effective; trap, reservoir, seal, source rock presence, maturity of source rock for hydrocarbon generation and migration of hydrocarbon charge from the source rocks into a trap. Each of these elements are required and their presence needs to be effective in order to have a hydrocarbon discovery that may or may not be able to be commercialised.

The business of oil & gas exploration involves risks and hazards. For example, in an exploration context, no assurance can be given that hydrocarbons will be detected and if they are, whether they are in quantities likely to be commercialised under conventional conditions within the term of the licence permit. High risk and substantial expense can be incurred without the requisite or expected degree of reward. Even if commercial quantities of oil & gas are discovered unforeseen risks can arise in the development and production phases.

(f) **Operational Risk**

The business of oil & gas exploration, development and production, by its nature, contains elements of significant risk with no guarantee of success. Ultimate and continuous success of these activities is dependent on, amongst other things:

- (i) the discovery and/or acquisition of economically recoverable reserves;
- (ii) access to adequate capital for project development;
- (iii) securing and maintaining licence permits;
- (iv) obtaining consents and approvals necessary for the conduct of oil & gas exploration,
- (v) access to competent operational management and prudent financial administration, including the availability and reliability of appropriately skilled and experienced employees, contractors and consultants; and
- (vi) availability of equipment, such as seismic vessels or drilling rigs, within the necessary time frame.

Whether or not income will result from licence permits depends on successful exploration, appraisal and establishment of production facilities.

There is no assurance that any exploration on current or future licence permits will result in the discovery of economic reserves. Even if an apparently viable deposit is identified, there is no guarantee that it can be economically developed.

(g) **Other Operational Risks**

In addition to the risks listed above, industry operating risks include fire, explosions, blow outs, pipe failures, abnormally pressured formations and environmental hazards such as accidental spills or leakage of petroleum liquids, gas leaks, ruptures, or discharge of toxic gases. The occurrence of any of these

risks could result in substantial losses to the Company due to injury or loss of life; damage to or destruction of property, natural resources, or equipment; pollution or other environmental damage; clean-up responsibilities; regulatory investigation and penalties or suspension of operations. Damages occurring to third parties as a result of such risks may also give rise to claims against the Company.

(h) **Uncertainty of Exploration and Development Programs**

Among the many uncertainties inherent in any exploration and development program is the location of oil & gas, the development of appropriate processes, the receipt of necessary governmental permits, access to permits and the construction of processing facilities. Assuming the discovery of oil & gas, several years may lapse from the initial phases of drilling until commercial operations commence and, during such time, the economic feasibility of production may change.

(i) **Government and Regulator Risk**

The Company's rights, obligations and commercial arrangements through all stages of the oil & gas lifecycle (exploration, development and production) in international oil & gas licence permits are commonly defined in agreements entered into with the relevant country's Government as well as in the Country's petroleum and tax related legislation and other laws. These agreements and laws are at risk of amendment in the future by Governments which accordingly could have a materially adverse impact on the Company's rights and commercial arrangements.

Due to the evolving nature of exploration work programs such as new technical data becoming available, the fluctuating availability of petroleum equipment and services or lack of funding, the Company may seek to negotiate variations to licence permit agreements. In particular in respect to the duration of the exploration phases and work program commitments. There is a risk that the Company may be unsuccessful in obtaining these variations or extensions from the relevant country's Government or the regulator.

(j) **Sovereign and Geopolitical Risk**

The Company has oil and gas exploration permits in Madagascar and Gabon and on Completion, will have an interest in permits in Poland. Uncertainty exists as to the stability of the regulatory and political environment in Madagascar and Gabon in particular and there is potential for sovereign events to have a material impact on the investment and security environment within the country. The Company manages sovereign risk through closely monitoring political developments and events and careful country due diligence prior to new country entry.

Changes in government regulations and policies may also adversely affect the financial performance or the current and proposed operations generally of the Company. The ability to explore and develop oil and gas leases can be affected by changes in government regulations, policies or legislation in different jurisdictions, that are beyond the control of the Company and these changes may also adversely affect the financial performance or the current and proposed operations of the Company. In order to be compliant, certain permits, approvals, and certificates must be obtained and maintained and the cost of any of these may substantially increase from current levels.

(k) **Environmental Risk**

Oil operations have inherent risks and liabilities associated with ensuring they are carried out in a manner that is responsible to the environment. The Company

complies with prevailing environmental laws and regulations imposed by each country in which it operates. Such laws and regulations could be revised at any time and result in new obligations and limitations brought about by unanticipated environmental restrictions which may impact operations as well as costs.

(l) **Resource Estimates**

The estimated quantities of petroleum that may potentially be recoverable by the application of future development projects relate to undiscovered accumulations. These estimates have both an associated risk of discovery and a risk of development.

Resource estimates are expressions of judgment based on knowledge at that time as well as experience and industry practice. Estimates that were valid when made may change significantly when new information or techniques become available. As a consequence, resource estimates are necessarily imprecise and depend on interpretations, which may prove to be inaccurate. Even if the Company identifies a resource or reserve, actual oil & gas reserves and resources (including grade and quantity) may differ from those estimated at an earlier time which may result in alterations to development plans that may, in turn, adversely affect the Company's operations.

8.4 General Economic Climate

Factors such as inflation, currency fluctuation, interest rates and supply and demand have an impact on operating costs, commodity prices and stock market prices. The Company's Share price may be affected by these factors, as well as by fluctuations in the price of oil & gas or other commodities, which are beyond the Company's control.

8.5 Sharemarket Conditions

The market price of the Company's securities may be subject to varied and unpredictable influences on the market for equities in general and resources stocks in particular.

9. MATERIAL CONTRACTS

9.1 Lead Manager Mandate

The Company has entered into an advisory mandate with CPS dated 3 July 2019 for CPS to lead manage the Placement, fully underwrite the Entitlement Offer, subject to the terms of the Underwriting Agreement, and provide corporate advisory and brokering services (**Lead Manager Mandate**).

In consideration for its services, CPS will receive:

- (a) 25,000,000 Shares issued at a deemed issue price of A\$0.018 per share;
- (b) a 6% fee of all funds raised under the Capital Raisings (A\$223,926); and
- (c) 20,000,000 options exercisable at 4 cents expiring on or before 31 December 2022.

CPS will be entitled to be reimbursed for reasonable expenses incurred in undertaking its role but CPS must not incur expenses above \$1,000 without the written consent of the Company.

CPS may terminate the Mandate for breach by the Company or on the occurrence of an insolvency event affecting the Company.

The Company may terminate the Mandate on seven (7) days' written notice to CPS with any outstanding expenses due and owing to CPS being immediately payable.

9.2 Underwriting Agreement

Pursuant to an underwriting agreement between the Company and CPS dated 3 July 2019 (**Underwriting Agreement**), CPS has agreed to fully underwrite the Entitlement Offer, being 151,783,212 Shares (**Underwritten Shares**).

The Underwriting Agreement is conditional on, amongst other things, the lodgment of this Prospectus with ASIC in accordance with the timetable set out in the Underwriting Agreement, and CPS procuring such persons to sub-underwrite the Entitlement Offer as CPS in its absolute discretion thinks fit on or before the Prospectus is lodged with ASIC.

The material terms of the Underwriting Agreement are as follows:

- (a) the Company has agreed to pay a fee of 6% (plus GST) of the underwritten amount of \$2,732,098 to CPS;
- (b) CPS may appoint sub-underwriters to sub-underwrite the Entitlement Offer in its absolute discretion;
- (c) all fees and commissions due to sub-underwriters are payable by CPS;
- (d) CPS has the sole right to nominate and determine who is to receive any Shortfall Shares;
- (e) CPS will ensure that no person will acquire through participation in sub-underwriting the Entitlement Offer a holding of Shares in excess of 19.9% of all the Shares on issue on completion of the Entitlement Offer; and
- (f) the Company has agreed to a moratorium restricting the Company from doing certain things without the prior written consent of CPS, such as altering its share capital other than as disclosed in the Prospectus or disposing of, or agreeing to dispose of, a substantial part of its business. The moratorium is for three (3) months after the liability of CPS under the Underwriting Agreement terminates.

The Underwriting Agreement contains a number of indemnities, representations and warranties from the Company to CPS that are considered standard for an agreement of this nature.

The obligation of CPS to underwrite the Entitlement Offer is subject to certain events of termination pursuant to which CPS may terminate its obligations under the Underwriting Agreement. Certain of the events of termination are:

- (g) **(Indices fall)**: the S&P ASX 200 Index is at any time after the date of the Underwriting Agreement 10% or more below its level as at the close of business on the business day prior to the date of the Underwriting Agreement;
- (h) **(Supplementary prospectus)**:
 - (i) CPS, having elected not to exercise its right to terminate its obligations under the Underwriting Agreement as a result of an occurrence as described in paragraph (t)(v) below, forms the view on reasonable grounds that a supplementary prospectus should be lodged with ASIC for any of the reasons referred to in section 719 of the Corporations Act and the Company fails to lodge a supplementary prospectus in such form and content and within such time as CPS may reasonably require; or
 - (ii) the Company lodges a supplementary prospectus without the written agreement of CPS;
- (i) **(Non-compliance with disclosure requirements)**: the Prospectus does not contain all the information required by the Corporations Act;
- (j) **(Misleading Prospectus)**: there is a statement in the Prospectus that is misleading or deceptive or likely to mislead or deceive, or that there is an omission from the Prospectus (having regard to the provisions of sections 711, 713 and 716 of the Corporations Act) or if any statement in the Prospectus becomes misleading or deceptive or likely to mislead or deceive or if the issue of the Prospectus is or becomes misleading or deceptive or likely to mislead or deceive;
- (k) **(Proceedings)**: ASIC or any other person proposes to conduct any enquiry, or to take any regulatory action or to seek any remedy, in connection with the Entitlement Offer or the Prospectus, or publicly foreshadows that it may do so;
- (l) **(ASIC hearing)**: ASIC gives notice of its intention to hold a hearing under section 739 of the Corporations Act in relation to the Prospectus to determine if it should make a stop order in relation to the Prospectus or ASIC makes an interim or final stop order in relation to the Prospectus under section 739 of the Corporations Act;
- (m) **(Takeovers Panel)**: the Takeovers Panel makes a declaration that circumstances in relation to the affairs of the Company are unacceptable circumstances under Pt 6.10 of the Corporations Act, which in the Underwriter's reasonable opinion has a material adverse effect;
- (a) **(Unable to issue the Underwritten Shares)**: the Company is prevented from issuing the Underwritten Shares within the time required by the Underwriting Agreement, the Corporations Act, the ASX Listing Rules, any law or order of a court of competent jurisdiction, by ASIC, ASX or any governmental agency or authority;
- (b) **(Future matters)**: any statement or estimate in the Prospectus which relates to a future matter is or becomes incapable of being met or, in the reasonable opinion of the Underwriter, unlikely to be met in the projected timeframe;

- (c) **(Withdrawal of consent to Prospectus)**: any person (other than CPS) who has previously consented to the inclusion of its, his or her name in the Prospectus or to be named in the Prospectus, withdraws that consent;
- (d) **(No quotation approval)**: the Company fails to lodge an Appendix 3B in relation to the Underwritten Shares with ASX accordance with the timetable;
- (e) **(Authorisation)**: any authorisation which is material to anything referred to in the Prospectus is repealed, revoked or terminated or expires, or is modified or amended in a manner unacceptable to CPS acting reasonably;
- (f) **(Indictable offence)**: a director or senior manager of a Relevant Company is charged with an indictable offence;
- (g) **(Termination Events)**: subject always to the relevant event having a material adverse effect or giving rise to a liability for CPS under the Underwriting Agreement:
 - (i) **(Hostilities)**: there is an outbreak of hostilities or a material escalation of hostilities (whether or not war has been declared) after the date of the Indonesia, Japan, Russia, the United Kingdom, the United States of America, or the Peoples Republic of China and the CPS believes (on reasonable grounds) that the outbreak or escalation is likely to result in the S&P ASX 200 Index falling by 10% or more below its level as at the close of business on the business day prior to the date of the Underwriting Agreement;
 - (ii) **(Default)**: default or breach by the Company of any terms, condition, covenant or undertaking under the Underwriting Agreement;
 - (iii) **(Incorrect or untrue representation)**: any representation, warranty or undertaking given by the Company in the Underwriting Agreement is or becomes untrue or incorrect in a material respect;
 - (iv) **(Contravention of constitution or Act)**: a material contravention by a Relevant Company of any provision of its constitution, the Corporations Act, the Listing Rules or any other applicable legislation or any policy or requirement of ASIC or ASX;
 - (v) **(Adverse change)**: an event occurs which gives rise to a likely material adverse effect after the date of the Underwriting Agreement in the assets, liabilities, financial position, trading results, profits, forecasts, losses, prospects, business or operations of a Relevant Company;
 - (vi) **(Error in due diligence results)**: it transpires that any of the due diligence results or any part of the verification material was misleading or deceptive, materially false or that there was a material omission from them;
 - (vii) **(Significant change)**: a “new circumstance” as referred to in section 719(1) of the Corporations Act arises that is materially adverse from the point of view of an investor;
 - (viii) **(Public statements)**: without the prior approval of CPS a public statement is made by the Company in relation to the Entitlement Offer or the Prospectus other than a statement the Company is required to make in order to comply with its disclosure obligations under the ASX Listing Rules and/or the Corporations Act;
 - (ix) **(Misleading information)**: any information supplied at any time by the Company or any person on its behalf to CPS in respect of any aspect of

the Entitlement Offer or the affairs of a Relevant Company is or becomes misleading or deceptive or likely to mislead or deceive;

- (x) **(Official Quotation qualified)**: the official quotation of the Underwritten Shares is qualified or conditional;
- (xi) **(Change in Act or policy)**: there is introduced, or there is a public announcement of a proposal to introduce, into the Parliament of Australia or any of its States or Territories any Act or prospective Act or budget or the Reserve Bank of Australia or any Commonwealth or State authority adopts or announces a proposal to adopt any new, or any major change in, existing, monetary, taxation, exchange or fiscal policy that has not been publicly disclosed or proposed as at the date of the Underwriting Agreement;
- (xii) **(Prescribed Occurrence)**: a Prescribed Occurrence occurs, other than as disclosed in the Prospectus;
- (xiii) **(Suspension of debt payments)**: the Company suspends payment of its debts generally;
- (xiv) **(Event of Insolvency)**: an event of insolvency occurs in respect of a Relevant Company;
- (xv) **(Judgment against a Relevant Company)**: a judgment in an amount exceeding \$100,000.00 is obtained against a Relevant Company and is not set aside or satisfied within seven (7) days;
- (xvi) **(Litigation)**: litigation, arbitration, administrative or industrial proceedings are after the date of the Underwriting Agreement commenced against any Relevant Company except as disclosed in the Prospectus;
- (xvii) **(Board and senior management composition)**: there is a change in the composition of the Board or a change in the senior management of the Company before the date of issue of the Underwritten Shares without the prior written consent of CPS (such consent not to be unreasonably withheld);
- (xviii) **(Change in shareholdings)**: there is a material change in the major or controlling shareholdings of a Relevant Company (other than as a result of the Entitlement Offer or a matter disclosed in the Prospectus) or a takeover offer or scheme of arrangement pursuant to Chapter 5 or 6 of the Corporations Act is publicly announced in relation to a Relevant Company;
- (xix) **(Timetable)**: there is a delay in any specified date in the timetable set out in the Underwriting Agreement which is greater than two (2) business days;
- (xx) **(Force Majeure)**: a force majeure affecting the Company's business or any obligation under the Underwriting Agreement lasting in excess of seven (7) days occurs;
- (xxi) **(Certain resolutions passed)**: a Relevant Company passes or takes any steps to pass a resolution under section 254N, section 257A or section 260B of the Corporations Act or a resolution to amend its constitution without the prior written consent of CPS;
- (xxii) **(Capital Structure)**: any Relevant Company alters its capital structure in any manner not contemplated by the Prospectus excluding the issue of any Shares upon exercise of options, such options having been disclosed to the ASX as at the date of the Underwriting Agreement;

- (xxiii) **(Breach of Material Contracts)**: any material agreement of the Company as disclosed to ASX together with any other material agreements described in the Prospectus is terminated or substantially modified; or
- (xxiv) **(Market Conditions)**: a suspension or material limitation in trading generally on ASX occurs or any material adverse change or disruption occurs in the existing financial markets, political or economic conditions of Australia, Japan, the United Kingdom, the United States of America or other international financial markets.

CPS may not exercise its rights in respect of the termination events described in paragraph (t) above unless, in the reasonable opinion of CPS reached in good faith, it has or is likely to have, or those events together have, or could reasonably be expected to have, a material adverse effect or could give rise to a liability of CPS under the Corporations Act.

9.3 Transaction Agreement

On or about 4 July 2019, the Company entered into the Transaction Agreement with Gemini which was varied by a Deed of Variation entered into on 23 August 2019.

The material terms of the Transaction Agreement are as follows:

Exclusivity fee

The Company has paid to Gemini an exclusivity fee of £250,000 as consideration for the exclusive right to undertake due diligence and acquire the interest in the Projects. The exclusivity fee is non-refundable except in limited circumstances, including in the case of material adverse issues with the title of the Project licences, the intentional withholding of due diligence information from the Company, and misrepresentation or fraudulent conduct by Gemini.

On completion of the Transaction, the exclusivity fee automatically converts into ordinary shares in the capital of Gemini (**Exclusivity Fee Shares**) in accordance with the following formula:

$$X = £250,000/Y$$

Where:

X = the number of Exclusivity Fee Shares

$$Y = £11,700,000/Z$$

Z = the number of Gemini shares on issue immediately prior to completion

Gemini provides warranties to the Company in customary form relating to, amongst other things:

- (a) compliance with Gemini's constituent documents and the Companies Act 2006 (UK) with respect to the issue of the Exclusivity Fee Shares;
- (b) the Exclusivity Fee Shares being credited as fully paid, ranking equally with all other shares issued by Gemini, and being free from any encumbrance or security interest;
- (c) the accuracy of Gemini's financial statements (including as to adequate provision for taxation) for the period ending 30 April 2019;
- (d) the absence of actual, pending or threatened litigation affecting Gemini; and

- (e) the accuracy of information provided to the Company as part of its due diligence enquiries.

Share subscription in Polish subsidiaries

The Company, or a wholly-owned subsidiary of the Company, will subscribe for 35% of the issued share capital of each of Gemini's wholly-owned Polish subsidiaries, Gora Energy Sp. Z.o.o and Liesa Energy Sp. Z.o.o, at the par value of such shares (being PLN50 per share in Gora Energy and PLN500 per share in Liesa Energy) (Subscription Shares).

Each of Gora Energy and Liesa Energy provide warranties to the Company in customary form relating to, amongst other things:

- (a) their respective share capital;
- (b) compliance with the Polish Commercial Companies Code with respect to the issue of the Subscription Shares;
- (c) the Subscription Shares being credited as fully paid, ranking equally with all other shares in the Gora Energy and Liesa Energy on issue, and being free from any encumbrance or security interest;
- (d) the accuracy of their financial statements (including as to adequate provision for taxation) for the period ending 31 May 2019;
- (e) the absence of actual, pending or threatened litigation affecting the companies; and
- (f) the accuracy of information provided to the Company as part of its due diligence enquiries.

Shareholders and Operating Agreements

The Company, or a wholly-owned subsidiary of the Company, will enter into shareholders and operating agreements (**SOAs**) with Gemini and each of Gora Energy and Liesa Energy to govern the terms of the exploration, and, if warranted, the development of commercial hydrocarbon reserves in the Project licence areas.

The material terms of the SOAs are as follows:

- (a) the Company will fund Gora Energy the entire cost of petroleum operations in relation to the fracture stimulation and flow test of the Siciny-2 well (located in the Gora licence area) up to total gross value of £2,150,000 (being the financial cap) and thereafter the shareholders in Gora Energy will fund petroleum operations in Gora licence area in proportion to their shareholding (Gemini (65%) and the Company (35%));
- (b) the Company will fund Liesa Energy the entire cost of petroleum operations insofar as they relate to fracture stimulation and flow test on the Jany-C1 well (located in Nowa Sol licence area) up to total gross value of £1,230,000 (being the financial cap) and thereafter the shareholders in Liesa Energy will fund petroleum operations in the Nowa Sol licence area in proportion to their shareholding (Gemini (65%) and the Company (35%)). The parties have agreed that petroleum operations relating to the Czaslaw, Ksiaz Slaski and Lelechow wells in the Nowa Sol licence area, and any future wells targeting these areas, are for the sole benefit and cost of Gemini and will be treated as if they were sole risk operations by Gemini;

- (c) the board of directors of each of Gora Energy and Liesa Energy will be comprised of three (3) directors, with two (2) to be appointed by Gemini and one (1) to be appointed by the Company;
- (d) Gemini is designated as the Operator under each of the SOAs. Gemini can be removed as Operator by notice from a majority of the non-Operator shareholders if Gemini suffers an insolvency event, commits an intentional and material breach of an SOA which is not remedied, or if Gemini, together with any affiliates, holds less than a 25% shareholding in Gora Energy and Liesa Energy (as applicable);
- (e) an Operating Committee will be established under each SOA. The purpose of the committees is to provide for the overall consideration, supervision and direction of petroleum operations. Each party will have two (2) representatives on the committees;
- (f) except for certain material matters which require unanimous approval, all decisions and approvals of the Operating Committees require the affirmative vote of two (2) or more unaffiliated shareholders holding an aggregate shareholding of not less than 70% of those shareholders entitled to vote;
- (g) the SOAs will include:
 - (i) customary provisions relating to the approval of Work Programs and Budgets, Development Plans, the award of contracts for petroleum operations and Authorisation for Expenditure procedures;
 - (ii) pre-emptive right provisions on the transfer of shares by a shareholder, including provisions requiring a justifiable cash value to be allocated to any non-cash consideration offered under a transfer. No transfer is permitted which results in a party holding a shareholding of 5% or less;
 - (iii) sole risk rights, non-consent rights and default provisions based on the corresponding provisions in the Association of International Petroleum Negotiators' Joint Operating Agreement Version 2012; and
- (h) the SOA will be governed by English law and disputes resolved in the High Court in London, United Kingdom.

Conditions precedent

Completion under the Transaction Agreement is conditional on the satisfaction (or waiver) of a number of conditions by no later than 16 September 2019, including but not limited to:

- (a) completion of due diligence by the Company on Gemini, Gora Energy and Liesa Energy, their respective businesses and operations and the Project licences, to the satisfaction of the Company in its absolute discretion;
- (b) both the Company and Gemini obtaining all necessary shareholder and regulatory approvals to proceed with the Transaction;
- (c) the terms of appointment of Dr Andrew Matharu and Mr Chris Lewis as executive directors of the Company being agreed between them and the Company; and
- (d) the entry by the parties into the SOAs.

9.4 Executive Service Agreements for Dr Matharu and Mr Lewis

The Company has entered into consultancy agreements with Firmitas Energy Advisers Limited (on behalf of its nominated person Dr Matharu) and Lewis Petroleum Consulting

Limited (on behalf of its nominated person Mr Lewis) (both referred to herein as the **Consultant**) (**Executive Service Agreements** or **ESAs**).

Under the terms of the ESAs, the Consultants and their nominated persons will provide services to the Company including formulating strategies to promote and improve the performance of the Company and implementing strategic and tactical plans to achieve the Company's goals. Mr Lewis will be appointed to the Board as Technical Director and Dr Matharu will be appointed as Executive Director on and from Completion. The ESAs do not prevent or restrict the Consultants or their nominated persons providing services of any kind to any other person except where those services will be in conflict with the best interests of the Company or may adversely affect the ability of the Consultants or their nominated persons from providing the services in accordance with the ESAs.

The Company commits to pay to each Consultant a guaranteed and fixed retainer amount per calendar month of £9,000 which is equivalent to 80 hours of work. The retainer is payable regardless of the hours worked by the Consultant. Any hours worked by the Consultant in excess of 80 hours in any calendar month will be charged at the rate of £900 per day (reduced on a pro rata basis if less than eight (8) hours is worked in a day) and will require the prior written consent of the Company.

The fees payable to the Consultants are deemed to be inclusive of Director fees payable to their nominated persons, and all other amounts in respect of wages, superannuation, bonuses and other costs associated with payments made by the Consultant to their personnel.

The Company will also reimburse the Consultants' reasonable travelling, accommodation and general expenses incurred by the Consultants (or their respective nominated persons) in the performance of their duties under the ESAs. Any item of expense in excess of £1,000 requires the prior written approval of the Company.

In addition, the Company agrees to grant to each Consultant (or their respective nominated person) at Completion, a total of 12,133,741 Performance Rights to be issued under the Company's Performance Rights Plan which will otherwise have the same terms and conditions as all other Performance Rights to be issued pursuant to the Transaction.

Furthermore, the Company agrees to issue to each Consultant (or their respective nominated person) at Completion, a total of 1,666,667 Shares in consideration for introducing and facilitating the Transaction.

Either the Consultant or the Company may terminate the applicable ESA by giving the other party three (3) months' written notice. The Company may also terminate the ESA in certain circumstances for cause by giving one (1) month's written notice, or in the case of material breaches of the ESA, without notice. All fees accrued and owing up to the point of termination and in respect of any valid notice period will be due and payable to the Consultant and may be paid in lieu of the applicable notice period.

The ESAs are governed by and construed in accordance with the laws of Western Australia.

10. ADDITIONAL INFORMATION

10.1 Litigation

As at the date of this Prospectus the Company is not involved in any legal proceedings and the Directors are not aware of any legal proceedings pending or threatened against the Company.

10.2 Continuous disclosure obligations

The Company is a “disclosing entity” (as defined in section 111AC of the Corporations Act) for the purposes of section 713 of the Corporations Act and, as such, is subject to regular reporting and disclosure obligations. Specifically, like all listed companies, the Company is required to continuously disclose any information it has to the market which a reasonable person would expect to have a material effect on the price or the value of the Company’s securities.

This Prospectus is a “transaction specific prospectus”. In general terms a “transaction specific prospectus” is only required to contain information in relation to the effect of the issue of securities on a company and the rights attaching to the securities. It is not necessary to include general information in relation to all of the assets and liabilities, financial position, profits and losses or prospects of the issuing company.

This Prospectus is intended to be read in conjunction with the publicly available information in relation to the Company which has been notified to ASX and does not include all of the information that would be included in a prospectus for an initial public offering of securities in an entity that is not already listed on a stock exchange. Investors should therefore have regard to the other publicly available information in relation to the Company before making a decision whether or not to invest.

Having taken such precautions and having made such enquires as are reasonable, the Company believes that it has complied with the general and specific requirements of ASX as applicable from time to time throughout the three (3) months before the issue of this Prospectus which required the Company to notify ASX of information about specified events or matters as they arise for the purpose of ASX making that information available to the stock market conducted by ASX.

Information that is already in the public domain has not been reported in this Prospectus other than that which is considered necessary to make this Prospectus complete.

The Company, as a disclosing entity under the Corporations Act states that:

- (a) it is subject to regular reporting and disclosure obligations;
- (b) copies of documents lodged with the ASIC in relation to the Company (not being documents referred to in section 1274(2)(a) of the Corporations Act) may be obtained from, or inspected at, the offices of the ASIC; and
- (c) it will provide a copy of each of the following documents, free of charge, to any person on request between the date of issue of this Prospectus and the Closing Date:
 - (i) the annual financial report most recently lodged by the Company with the ASIC;
 - (ii) any half-year financial report lodged by the Company after the lodgement of the annual financial report referred to in (i) and before the lodgement of this Prospectus with the ASIC; and
 - (iii) any continuous disclosure documents given by the Company to ASX in accordance with the ASX Listing Rules as referred to in section 674(1)

of the Corporations Act after the lodgement of the annual financial report referred to in (i) and before the lodgement of this Prospectus with the ASIC.

Copies of all documents lodged with the ASIC in relation to the Company can be inspected at the registered office of the Company during normal office hours.

Details of documents lodged by the Company with ASX since the date of lodgement of the Company's latest annual financial report and before the lodgement of this Prospectus with the ASIC are set out in the table below.

Date	Announcement
09/09/2019	Transaction Update
02/09/2019	Results of General Meeting
23/08/2019	Legal and Financial DD Update
16/08/2019	Indicative Timetable Update
16/08/2019	Completion of Technical DD and Update
05/08/2019	Poland Site Visit and Planning Underway
05/08/2019	Updated Indicative Timetable
31/07/2019	Notice of General Meeting/ Proxy Form
26/07/2019	Appendix 5B
26/07/2019	Quarterly Activities Report
16/07/2019	Appendix 3B
16/07/2019	Market Update
12/07/2019	Change in substantial holding for FTT
04/07/2019	Reinstatement to Official Quotation
04/07/2019	Investor Presentation - Onshore Polish Oil & Gas Projects
04/07/2019	PVD Earns Into Onshore Polish Oil & Gas Projects
02/07/2019	Extension to Voluntary Suspension
27/06/2019	Suspension from Official Quotation
27/06/2019	Final share buy-back notice - Appendix 3F
25/06/2019	Trading Halt
05/06/2019	Appendix 3B
01/05/2019	Change in substantial holding for FTT
26/04/2019	Quarterly Activities Report
26/04/2019	Quarterly Cashflow Report
26/04/2019	Quarterly Cashflow Report

29/03/2019	Change in substantial holding for FTT
27/03/2019	Form 484
27/03/2019	Appendix 3B
26/03/2019	Response to ASX Query
21/03/2019	Change in substantial holding for FTT
18/03/2019	Half Year Accounts
28/02/2019	Daily share buy-back notice - Appendix 3E
27/02/2019	Change in substantial holding for FTT
25/02/2019	Daily share buy-back notice - Appendix 3E
21/02/2019	Daily share buy-back notice - Appendix 3E
19/02/2019	Daily share buy-back notice - Appendix 3E
19/02/2019	Daily share buy-back notice - Appendix 3E
18/02/2019	TOV: Panel Declines to Conduct Proceedings
18/02/2019	Daily share buy-back notice - Appendix 3E
15/02/2019	Daily share buy-back notice - Appendix 3E
07/02/2019	TOV: Panel Receives Application
06/02/2019	Change in substantial holding for FTT
30/01/2019	Quarterly Cash Flow and Activities Report
24/01/2019	Ongoing dispute with DGH over Nkembe block
23/01/2019	Trading Halt
23/01/2019	Daily share buy-back notice - Appendix 3E
21/01/2019	Daily share buy-back notice - Appendix 3E
21/01/2019	Daily share buy-back notice - Appendix 3E
16/01/2019	Daily share buy-back notice - Appendix 3E
16/01/2019	Daily share buy-back notice - Appendix 3E
14/01/2019	Daily share buy-back notice - Appendix 3E
09/01/2019	Daily share buy-back notice - Appendix 3E
08/01/2019	Daily share buy-back notice - Appendix 3E
07/01/2019	Daily share buy-back notice - Appendix 3E
07/01/2019	Daily share buy-back notice - Appendix 3E
28/12/2018	Daily share buy-back notice - Appendix 3E
28/12/2018	Daily share buy-back notice - Appendix 3E

24/12/2018	Daily share buy-back notice - Appendix 3E
21/12/2018	Daily share buy-back notice - Appendix 3E
19/12/2018	Daily share buy-back notice - Appendix 3E
14/12/2018	Final share buy-back notice - Appendix 3F
14/12/2018	Announcement of buy-back - Appendix 3C
13/12/2018	Daily share buy-back notice - Appendix 3E
11/12/2018	Daily share buy-back notice Appendix 3E (corrective notice)
11/12/2018	Daily share buy-back notice - Appendix 3E
10/12/2018	Daily share buy-back notice - Appendix 3E
05/12/2018	Daily share buy-back notice - Appendix 3E
03/12/2018	Daily share buy-back notice - Appendix 3E
03/12/2018	Daily share buy-back notice - Appendix 3E
30/11/2018	Change to Company Secretary
29/11/2018	Daily share buy-back notice - Appendix 3E
28/11/2018	Appendix 3E - Daily Share Buy Back Notice
27/11/2018	Appendix 3E - Daily Share Buy Back Notice
26/11/2018	Appendix 3E - Daily Share Buy Back Notice
23/11/2018	Results of Annual General Meeting
22/11/2018	Appendix 3E - Daily Share Buy Back Notice
19/11/2018	Appendix 3E - Daily Share Buy Back Notice
16/11/2018	Appendix 3E - Daily Share Buy Back Notice
31/10/2018	Quarterly Activities and Cashflow Report
26/10/2018	On-Market Share Buy Back and Appendix 3C
23/10/2018	Notice of Annual General Meeting/Proxy Form
22/10/2018	Change of Director's Interest Notice
15/10/2018	Reinstatement to Official Quotation
15/10/2018	Shareholder Update
11/10/2018	Corporate Governance Statement and Appendix 4G
11/10/2018	Annual Report to shareholders

Pursuant to section 712 of the Corporations Act all documents listed above are incorporated in this Prospectus. ASX maintains files containing publicly available information for all listed companies. The Company's file is available for inspection at ASX during normal office hours.

The announcements are also available through the Company's website at www.puravidaenergy.com.au.

10.3 Market price of shares

The Company is a disclosing entity for the purposes of the Corporations Act and its Shares are enhanced disclosure securities quoted on ASX.

The highest, lowest and last market sale prices of the Shares on ASX during the three (3) months immediately preceding the date of lodgement of this Prospectus with the ASIC and the respective most recent date of those sales were:

	(\$)	Date
Highest	\$0.031	4 July 2019
Lowest	\$0.015	24 June 2019
Last	\$0.017	9 September 2019

10.4 Interests of Directors

Other than as set out in this Prospectus, no Director or proposed Director holds, or has held within the two (2) years preceding lodgement of this Prospectus with the ASIC, any interest in:

- (a) the formation or promotion of the Company;
- (b) any property acquired or proposed to be acquired by the Company in connection with:
 - (i) its formation or promotion; or
 - (ii) the Entitlement Offer; or
- (c) the Entitlement Offer,

and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to a Director or proposed Director:

- (a) as an inducement to become, or to qualify as, a Director; or
- (b) for services provided in connection with:
 - (i) the formation or promotion of the Company; or
 - (ii) the Entitlement Offer.

Security holdings

The relevant interest of each of the Directors in the securities of the Company as at the date of this Prospectus, together with their respective Entitlement, is set out in the table below.

Directors	Shares	Entitlement	Partly Paid Shares	Options	Performance Rights**
Bevan Tarratt	1,263,572	631,786	1,075,000	Nil	7,500,000
Nathan Lude	6,321,541	3,160,771	Nil	4,000,000	7,500,000
Bruce Lane	30,000	15,000	Nil	Nil	6,000,000

David Sanders	Nil	Nil	Nil	4,000,000	3,000,000
Andrew Matharu*	1,666,666***	Nil	Nil	Nil	12,133,741
Christopher Lewis*	1,666,666***	Nil	Nil	Nil	12,133,741

*Proposed new Director.

**These Performance Rights will be granted on the terms set out in Section 7.3 after Completion.

*** These shares will be issued pursuant to the Facilitators Offer after Completion.

Remuneration

The remuneration of an executive Director is decided by the Board, without the affected executive Director participating in that decision-making process. The total maximum director fees of non-executive Directors is initially set by the Constitution and subsequent variation is by ordinary resolution of Shareholders in general meeting in accordance with the Constitution, the Corporations Act and the ASX Listing Rules, as applicable. The determination of non-executive Directors' fees within that maximum will be made by the Board having regard to the inputs and value to the Company of the respective contributions by each non-executive Director. The current amount has been set at an amount not to exceed \$400,000 per annum.

A Director may be paid additional fees or other amounts (i.e. non-cash performance incentives such as options, subject to any necessary Shareholder approval) as the other Directors determine where a Director performs special duties or otherwise performs services outside the scope of the ordinary duties of a Director. In addition, Directors are also entitled to be paid reasonable travelling, hotel and other expenses incurred by them respectively in or about the performance of their duties as Directors.

The following tables shows the total remuneration paid to the Directors for the previous financial year.

FY 2019:

	Director Fees and Additional Fees	Superannuation	Total
Bevan Tarratt	130,000	12,350	142,350
Bruce Lane	116,500	11,068	127,568
David Sanders	26,500	2,518	29,018
Nathan Lude	157,500	14,963	172,463
TOTAL	430,500	40,899	471,399

For the current financial year the Directors are entitled to director fees of \$25,000 per annum, plus superannuation. The Directors are also entitled to receive additional remuneration at a rate of \$1,000 per day or part thereof (or as otherwise approved by the Board) in addition to these fees for performing additional duties as requested by the Board.

Please refer to the summary of the Executive Service Agreements in Section 9.4 for details of the remuneration to be payable to Dr Matharu and Mr Lewis as proposed new Directors from Completion.

10.5 Interests of experts and advisers

Other than as set out below or elsewhere in this Prospectus, no:

- (a) person named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus;
- (b) promoter of the Company; or
- (c) underwriter (but not a sub-underwriter) to the issue or a financial services licensee named in this Prospectus as a financial services licensee involved in the issue,

holds, or has held within the two (2) years preceding lodgement of this Prospectus with the ASIC, any interest in:

- (d) the formation or promotion of the Company;
- (e) any property acquired or proposed to be acquired by the Company in connection with:
 - (i) its formation or promotion; or
 - (ii) the Entitlement Offer; or
- (f) the Entitlement Offer,

and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to any of these persons for services provided in connection with:

- (g) the formation or promotion of the Company; or
- (h) the Entitlement Offer.

Bennett + Co has acted as the solicitors to the Company in relation to the Entitlement Offer. The Company estimates it will pay Bennett + Co \$20,000 (excluding GST and disbursements) for these services. During the 24 months preceding lodgement of this Prospectus with the ASIC, Bennett + Co has been paid fees totalling approximately \$130,000 (excluding GST and disbursements) for legal services provided to the Company.

CPS has acted as the Underwriter and Lead Manager to the Company in relation to the Entitlement Offer. CPS is not a Shareholder and is not a related party of the Company for the purposes of the Corporations Act. The fees payable to the Company for these services are set out above at Sections 9.1 and 9.2 of this Prospectus. During the 24 months preceding lodgement of this Prospectus with the ASIC, CPS has been paid fees totalling approximately \$71,827 for services provided to the Company.

10.6 Consents

Chapter 6D of the Corporations Act imposes a liability regime on the Company (as the offeror of the Shares), the Directors, any underwriters, persons named in the Prospectus with their consent having made a statement in the Prospectus and persons involved in a contravention in relation to the Prospectus, with regard to misleading and deceptive statements made in the Prospectus. Although the Company bears primary responsibility for the Prospectus, the other parties involved in the preparation of the Prospectus can also be responsible for certain statements made in it.

CPS has given its written consent to being named as the Underwriter to the Entitlements Offer in this Prospectus. CPS has not withdrawn its consent prior to the lodgement of this Prospectus with ASIC.

Bennett + Co has given its written consent to being named as the Solicitors to the Company in this Prospectus. Bennett + Co has not withdrawn its consent prior to the

lodgement of this Prospectus with ASIC.

Bennett + Co:

- (a) does not make, or purport to make, any statement in this Prospectus other than those referred to in this Section; and
- (b) in light of the above, only to the maximum extent permitted by law, expressly disclaim and take no responsibility for any part of this Prospectus other than a reference to its name and a statement included in this Prospectus with the consent of that party as specified in this Section.

10.7 Expenses of the offer

The total expenses of the Entitlement Offer are estimated to be approximately \$274,025 (excluding GST) and are expected to be applied towards the items set out in the table below:

	\$
ASIC fees	3,206
ASX fees	11,893
Underwriting and Lead Manager fees	223,926
Legal fees	20,000
Printing and distribution	10,000
Miscellaneous	5,000
Total	274,025

10.8 Electronic prospectus

If you have received this Prospectus as an electronic Prospectus, please ensure that you have received the entire Prospectus accompanied by the relevant Application Form. If you have not, please phone the Company on +61 8 9226 2011 and the Company will send you, for free, either a hard copy or a further electronic copy of the Prospectus, or both. Alternatively, you may obtain a copy of this Prospectus from the Company's website at www.puravidaenergy.com.au.

The Company reserves the right not to accept an Application Form from a person if it has reason to believe that when that person was given access to the electronic Application Form, it was not provided together with the electronic Prospectus and any relevant supplementary or replacement prospectus or any of those documents were incomplete or altered.

10.9 Clearing House Electronic Sub-Register System (CHES) and Issuer Sponsorship

The Company will not be issuing share or option certificates. The Company is a participant in CHES, for those investors who have, or wish to have, a sponsoring stockbroker. Investors who do not wish to participate through CHES will be issuer sponsored by the Company. Because the sub-registers are electronic, ownership of securities can be transferred without having to rely upon paper documentation.

Electronic registers mean that the Company will not be issuing certificates to investors. Instead, investors will be provided with a statement (similar to a bank account statement) that sets out the number of Shares issued to them under this Prospectus. The notice will also advise holders of their Holder Identification Number or Security Holder Reference Number and explain, for future reference, the sale and purchase procedures under CHES and issuer sponsorship.

Further monthly statements will be provided to holders if there have been any changes in their security holding in the Company during the preceding month.

10.10 Privacy Act

If you complete an application for Shares, you will be providing personal information to the Company (directly or by the Company's share registry). The Company collects, holds and will use that information to assess your application, service your needs as a holder of equity securities in the Company, facilitate distribution payments and corporate communications to you as a Shareholder and carry out administration.

The information may also be used from time to time and disclosed to persons inspecting the register, bidders for your securities in the context of takeovers, regulatory bodies, including the Australian Taxation Office, authorised securities brokers, print service providers, mail houses and the Company's share registry.

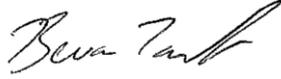
You can access, correct and update the personal information that we hold about you. Please contact the Company or its share registry if you wish to do so at the relevant contact numbers set out in this Prospectus.

Collection, maintenance and disclosure of certain personal information is governed by legislation including the *Privacy Act 1988* (Cth) (as amended), the Corporations Act and certain rules such as the ASX Settlement Operating Rules. You should note that if you do not provide the information required on the application for Shares, the Company may not be able to accept or process your application.

11. DIRECTORS' AUTHORISATION

This Prospectus is issued by the Company and its issue has been authorised by a resolution of the Directors.

In accordance with section 720 of the Corporations Act, each Director and proposed Director has consented to the lodgement of this Prospectus with the ASIC.



Mr Bevan Tarratt
Chairman

12. **GLOSSARY**

A\$, \$ or AUD means the lawful currency of the Commonwealth of Australia.

£ means pound sterling, the lawful currency of the United Kingdom.

AWST means Australian Western Standard Time.

Applicant means a Shareholder who applies for Shares pursuant to the Entitlement Offer or a Shareholder who applies for Shortfall Shares pursuant to the Shortfall Offer.

Application Monies means money submitted by Applicants.

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited (ACN 008 624 691) or the financial market operated by it as the context requires.

ASX Listing Rules means the listing rules of the ASX.

ASX Settlement Operating Rules means the settlement rules of the securities clearing house which operates CHESS.

Board means the board of Directors unless the context indicates otherwise.

Business Day means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day and any other day that ASX declares is not a business day.

Capital Raisings means the Placement and the Entitlement Issue.

Closing Date means the date specified in the timetable set out at the commencement of this Prospectus (unless extended).

Completion means completion under the Transaction Agreement.

Company or **PVD** or **Pura Vida** means Pura Vida Energy NL (to be renamed "Ansila Energy NL") (ACN 150 624 169).

Constitution means the constitution of the Company as at the date of this Prospectus.

Corporations Act means the *Corporations Act 2001* (Cth).

Directors means the directors of the Company as at the date of this Prospectus.

Eligible Shareholder means a person registered as the holder of Shares on the Record Date whose registered address is in Australia and New Zealand.

Entitlement means the entitlement of a Shareholder who is eligible to participate in the Entitlement Offer.

Entitlement and Acceptance Form means the entitlement and acceptance form either attached to or accompanying this Prospectus.

Entitlement Offer or **Entitlement Issue** means the non-renounceable entitlement issue to offer a total of 151,783,212 Shares to Shareholders on a 1:2 basis at an issue price of A\$0.018 per Share to raise A\$2,732,098 (before costs) the subject of this Prospectus.

Facilitators has the meaning given in Section 5.1.

Gemini means Gemini Resources Limited, a company incorporated in England (Company Number) 10729919).

Gora Energy means Gora Energy Sp. Z.o.o, a company incorporated in Poland.

Lead Manager Mandate has the meaning given in Section 9.1.

Liesa Energy means Liesa Energy Sp. Z.o.o, a company incorporated in Poland.

Official Quotation means official quotation on ASX.

Options means the 20,000,000 options to acquire a Share exercisable at 4 cents expiring on or before 31 December 2022 offered under the Prospectus to the Underwriter.

Partly Paid Share means a share in the Company partly paid to \$0.01 with a further \$0.19 payable to become fully paid.

Performance Right means a right to be issued a Share upon the satisfaction of certain vesting milestones.

Placement means the placement of 55,555,556 Shares to sophisticated investors at an issue price of A\$0.018 to raise A\$1,000,000 (before costs) completed on 11 and 15 July 2019.

PLN means Zloty, the lawful currency of Poland.

Prescribed Occurrence means:

- (a) a Relevant Company converting all or any of its shares into a larger or smaller number of shares;
- (b) a Relevant Company resolving to reduce its share capital in any way;
- (c) a Relevant Company:
 - (i) entering into a buy-back agreement; or
 - (ii) resolving to approve the terms of a buy-back agreement under section 257D or 257E of the Corporations Act;
- (d) a Relevant Company making an issue of, or granting an option to subscribe for, any of its shares or any other securities, or agreeing to make such an issue or grant such an option (other than pursuant to the Entitlement Offer or on conversion of convertible securities on issue as at the date of this Agreement or as previously notified to the Underwriter prior to the date of the Underwriting Agreement);
- (e) a Relevant Company issuing, or agreeing to issue, convertible notes;
- (f) a Relevant Company disposing, or agreeing to dispose, of the whole, or a substantial part, of its business or property;
- (g) a Relevant Company charging, or agreeing to charge, the whole, or a substantial part, of its business or property;
- (h) a Relevant Company resolving that it be wound up;
- (i) the appointment of a liquidator or provisional liquidator of a Relevant Company;
- (j) the making of an order by a court for the winding up of a Relevant Company;

- (k) an administrator of a Relevant Company, being appointed under section 436A, 436B or 436C of the Corporations Act;
- (l) a Relevant Company executing a deed of company arrangement; or
- (m) the appointment of a receiver, or a receiver and manager, in relation to the whole, or a substantial part, of the property of a Relevant Company.

Projects means the Gora and Nowa Sol projects referred to in Section 5.1.

Prospectus means this prospectus.

Record Date means the date specified in the timetable set out at the commencement of this Prospectus.

Relevant Company means the Company and each company which is now, or before the issue of all the Underwritten Shares becomes, a subsidiary of the Company as that term is defined in the Corporations Act.

Section means a section of this Prospectus.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a holder of a Share or a Partly Paid Share.

Shortfall means the Shares not applied for under the Entitlement Offer (if any).

Shortfall Offer means the offer of the Shortfall on the terms and conditions set out in Section 5.14 of this Prospectus.

Shortfall Shares means those Shares issued pursuant to the Shortfall.

Transaction means the Company's ability to earn a 35% interest in the Projects by spending a total of A\$6.15 million on the Projects as referred to in Section 5.1.

Transaction Agreement means the binding agreement made on 4 July 2019 made between the Company and Gemini in respect of the Transaction as varied by Deed of Variation dated 23 August 2019.

Underwriter or **CPS** means CPS Capital Group Pty Ltd (ACN 088 055 636).

Underwriting Agreement means the underwriting agreement dated 3 July 2019 made between the Company and the Underwriter.

Underwritten Shares means the 151,783,212 Shares the subject of the Entitlement Offer.

Underwriter Offer has the meaning given in Section 5.4

US\$ means the lawful currency of the United States of America.