

10 September 2019

Dear Optionholder

Fully Underwritten Non-Renounceable Pro-Rata Entitlement Offer to raise 2.7m

As originally announced on 4 July 2019 and again on 10 September 2019, Pura Vida Energy NL (ASX:PVD) (to be renamed "Ansila Energy NL") (**PVD** or the **Company**) will be undertaking a fully underwritten non-renounceable entitlement offer of one (1) fully paid ordinary share (**Share**) for every two (2) Shares held by Eligible Shareholders (defined below), at an issue price of \$0.018 per Share to raise \$2,732,098 (**Entitlement Offer**). The Entitlement Offer is fully underwritten by CPS Capital Group Pty Ltd (**CPS**).

A prospectus containing information in respect of the Entitlement Offer was lodged with the Australian Securities and Investments Commission on 10 September 2019 (**Prospectus**).

The Entitlement Offer is being undertaken in conjunction with a placement to sophisticated investors in the amount of 55,555,555 Shares at an issue price of \$0.018 per Share to raise \$1,000,000 (**Placement**). The Placement was recently completed on 15 July 2019.

The Entitlement Offer is being made to all shareholders of the Company named on its register of members as at 5:00pm (WST) on 16 September 2019 (**Record Date**), whose registered address is in Australia and New Zealand (**Eligible Shareholders**).

In consideration for its services as Underwriter and lead manager, CPS will receive:

- (a) 25,000,000 Shares in the Company issued at a deemed issue price of A\$0.018 per share by way of a corporate advisory fee;
- (b) 6% broker fee associated with the Entitlement Offer and Placement (A\$223,926); and
- (c) 20,000,000 options exercisable at 4 cents expiring on or before 31 December 2022 (**Options**).

The Shares and Options to be issued to CPS are the subject of shareholder approval at the Company's upcoming general meeting.

Funds raised under the Entitlement Offer (together with funds raised under the Placement) will be allocated towards the proposed work programmes on the Gora and Nowa Sol projects located in onshore Poland to which the Company is proposing to earn a 35% interest, together with costs of the Entitlement Offer and Placement and for working capital purposes. Refer to the table below for further details.

Use of Funds

The proceeds of the Entitlement Offer (and the Placement) are proposed to be allocated as follows:

	\$(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 Gemini Resources Limited (**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 the 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 the 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.

All of the Shares offered under the Entitlement Offer will rank equally with the Company's existing Shares on issue.

Following completion of the Entitlement Offer and Placement, and assuming all Entitlements are accepted:

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

Optionholders

The terms and conditions of the options you currently hold do not entitle you to participate in the Entitlement Offer unless you exercise your options in time for Shares to be allotted and to be entered on the Company's register of members on or before 5.00pm (WST) 16 September 2019 (**Record Date**).

To exercise your options and thereby participate in the Entitlement Offer, you will need to deliver the following to the Company's Share Register, Computershare Investor Services Pty Ltd at Level 11, 172 St George Terrace, Perth WA 6000 or post to Pura Vida Energy NL care of, Computershare Investor Services Pty Ltd, GPO Box D182, Perth WA 6840:

- (a) A notice of exercise of options;
- (b) An option certificate (where the options are certificated) or a copy of a holding statement (where the options are uncertificated) in respect of those options to be exercised; and
- (c) Payment for the exercise price in respect of those options to be exercised by way of a cheque made payable to "**Pura Vida Energy NL**".

To ensure that your new shares are allotted prior to the Record Date, the above must be received by PVD **no later than** 5.00pm on 16 September 2019. If received after this date, allotment of new shares prior to the Record Date cannot be assured.

Before deciding whether to exercise any or all of your options, you should read the Prospectus in its entirety. This notice is important and requires immediate attention. If you have any queries concerning the Entitlement Offer, or the action you are required to take to subscribe for Shares, please contact your financial adviser or John Kay, PVD's Company Secretary, on +61 8 9226 2011.

-Ends-

CONTACT

Nathan Lude,

Executive Director

w: +61 8 9226 2011

e: info@puravidaenergy.com.au