

ASX ANNOUNCEMENT

31 October 2019

UPDATE ON SPECIAL DIVIDEND

Pacific Energy Limited ("Pacific Energy" or the "Company") refers to the announcements made on 24 July 2019 and 16 September 2019 in connection with a proposal from QGIF Swan Bidco Pty Ltd ("QIC") to acquire 100% of Pacific Energy by way of a Scheme of Arrangement (the "Scheme") for cash consideration of \$1.07 per share (the "Scheme Consideration").

The directors of Pacific Energy unanimously recommend that Shareholders approve the Scheme in the absence of a superior proposal and subject to the Independent Expert continuing to conclude that the Scheme is in the best interests of Pacific Energy shareholders.

The Company advises that it has determined to pay a special dividend ("Special Dividend") to Shareholders of 6.5 cents per share, conditional upon the Scheme becoming effective.

The Company has applied to the Australian Taxation Office ("ATO") requesting a class ruling in relation to the tax implications of the Special Dividend, including the ability to attach franking credits to the Special Dividend. The application is progressing well and is in the advanced stages. Subject to the receipt of a favourable class ruling from the ATO, and depending on their own tax circumstances, Pacific Energy Shareholders may receive additional value from any franking credits attaching to the Special Dividend.

Please note that any Special Dividend will not be payable until formally declared following the second court hearing to approve the Scheme. The Company will need to satisfy all legal requirements before a formal declaration of the Special Dividend. The quantum of any Special Dividend paid will reduce the Scheme Consideration accordingly.

The Special Dividend will, if paid, be in addition to the 1.5 cent per share fully franked final dividend ("Final Dividend") already declared by the directors in relation to the year ended 30 June 2019, and paid on 10 October 2019 to those shareholders on the register on the record date of 19 September 2019.

If the Scheme is approved and the Special Dividend is formally declared, Shareholders who are on the register on the Special Dividend record date and who continue to hold their shares until the Scheme record date, will receive \$1.07 per share, comprising:

- \$1.005 per share Scheme Consideration payable by QIC; plus
- \$0.065 per share Special Dividend payable by Pacific Energy.

Shareholders should seek independent tax advice in regard to their own circumstances.

INDICATIVE TIMETABLE FOR SCHEME AND SPECIAL DIVIDEND

Event	Date
Latest time and date for lodgement of completed Proxy Form for the Scheme Meeting	10:30am (AWST) on 6 November 2019
Time and date for determining eligibility of Pacific Energy Shareholders to vote at the Scheme Meeting	5:00pm (AWST) on 6 November 2019
Time and date of the Scheme Meeting	10:30am (AWST) on 8 November 2019
Court hearing for approval of the Scheme	15 November 2019
Effective Date of the Scheme	18 November 2019
Last date of trading of Pacific Energy Shares on ASX	18 November 2019
Special Dividend Record Date for determining entitlements to the Special Dividend	21 November 2019
Record Date for determining entitlements to the Scheme Consideration	7:00pm (AWST) on 25 November 2019
Implementation Date for the Scheme and payment of the Scheme Consideration and Special Dividend	2 December 2019
Dispatch of holding statements showing QGIF Swan Bidco as the holder of all issued Pacific Energy Shares	2 December 2019
Delisting on ASX	3 December 2019

The Company will provide further updates to Shareholders and the market regarding the status of the Special Dividend.

-ENDS-

For Further Information Contact:

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