

Form 603

Corporations Act 2001
Section 671B

Notice of initial substantial holder

To Company Name/Scheme XCD Energy Limited ("XCD Energy")

ACN/ARSN 108 403 425

1. Details of substantial holder (1)

Name 88 Energy Limited ("88 Energy") and each of its subsidiaries including those listed in Annexure A

ACN/ARSN (if applicable) 072 964 179

The holder became a substantial holder on 27 04 20

2. Details of voting power

The total number of votes attached to all the voting shares in the company or voting interests in the scheme that the substantial holder or an associate (2) had a relevant interest (3) in on the date the substantial holder became a substantial holder are as follows:

Class of securities (4)	Number of securities	Person's votes (5)	Voting power (6)
Fully paid ordinary shares ("Shares")	129,416,142	129,416,142	18.50%

3. Details of relevant interests

The nature of the relevant interest the substantial holder or an associate had in the following voting securities on the date the substantial holder became a substantial holder are as follows:

Holder of relevant interest	Nature of relevant interest (7)	Class and number of securities
Refer to Annexure A		

4. Details of present registered holders

The persons registered as holders of the securities referred to in paragraph 3 above are as follows:

Holder of relevant interest	Registered holder of securities	Person entitled to be registered as holder (8)	Class and number of securities
Refer to Annexure A			

5. Consideration

The consideration paid for each relevant interest referred to in paragraph 3 above, and acquired in the four months prior to the day that the substantial holder became a substantial holder is as follows:

Holder of relevant interest	Date of acquisition	Consideration (9)		Class and number of securities
		Cash	Non-cash	
Refer to Annexure A				

6. Associates

The reasons the persons named in paragraph 3 above are associates of the substantial holder are as follows:

Name and ACN/ARSN (if applicable)	Nature of association
Refer to Annexure A	

7. Addresses

The addresses of persons named in this form are as follows:

Name	Address
Refer to Annexure A	

Signature

print name

David Wall

capacity

Managing Director

sign here

date **28 / 4 / 2020****DIRECTIONS**

- (1) If there are a number of substantial holders with similar or related relevant interests (eg. a corporation and its related corporations, or the manager and trustee of an equity trust), the names could be included in an annexure to the form. If the relevant interests of a group of persons are essentially similar, they may be referred to throughout the form as a specifically named group if the membership of each group, with the names and addresses of members is clearly set out in paragraph 7 of the form.
- (2) See the definition of "associate" in section 9 of the Corporations Act 2001.
- (3) See the definition of "relevant interest" in sections 608 and 671B(7) of the Corporations Act 2001.
- (4) The voting shares of a company constitute one class unless divided into separate classes.
- (5) The total number of votes attached to all the voting shares in the company or voting interests in the scheme (if any) that the person or an associate has a relevant interest in.
- (6) The person's votes divided by the total votes in the body corporate or scheme multiplied by 100.
- (7) Include details of:
 - (a) any relevant agreement or other circumstances by which the relevant interest was acquired. If subsection 671B(4) applies, a copy of any document setting out the terms of any relevant agreement, and a statement by the person giving full and accurate details of any contract, scheme or arrangement, must accompany this form, together with a written statement certifying this contract, scheme or arrangement; and
 - (b) any qualification of the power of a person to exercise, control the exercise of, or influence the exercise of, the voting powers or disposal of the securities to which the relevant interest relates (indicating clearly the particular securities to which the qualification applies).

See the definition of "relevant agreement" in section 9 of the Corporations Act 2001.
- (8) If the substantial holder is unable to determine the identity of the person (eg. if the relevant interest arises because of an option) write "unknown".
- (9) Details of the consideration must include any and all benefits, money and other, that any person from whom a relevant interest was acquired has, or may, become entitled to receive in relation to that acquisition. Details must be included even if the benefit is conditional on the happening or not of a contingency. Details must be included of any benefit paid on behalf of the substantial holder or its associate in relation to the acquisitions, even if they are not paid directly to the person from whom the relevant interest was acquired.

ANNEXURE A

XCD Energy Limited (ACN 108 403 425)

This is Annexure A of five (5) pages referred to in Form 603 (Notice of Initial Substantial Holder)

3. DETAILS OF RELEVANT INTERESTS

Holder of relevant interest	Nature of relevant interest (7)	Class and number of securities
88 Energy	<p>88 Energy has entered into pre-bid acceptance deeds (Acceptance Deeds) with certain shareholders of XCD Energy (XCD Energy Shareholders) with respect to certain Shares held by those XCD Energy Shareholders (XCD Energy Shares). A template Acceptance Deed is set out at Annexure B.</p> <p>The power to control the disposal of those XCD Energy Shares and the entitlement to become registered as the holder of those XCD Energy Shares (subject to certain conditions being met) under the Acceptance Deeds gives 88 Energy a relevant interest in the Escrowed Shares under sections 608(1)(c) and 608(8) of the Corporations Act.</p> <p>88 Energy has no right to control the voting rights attached to the XCD Energy Shares.</p>	129,416,142 Shares

4. DETAILS OF PRESENT REGISTERED HOLDERS

Holder of relevant interest	Registered holder of securities	Person entitled to be registered as holder (8)	Class and number of securities
88 Energy	Glenroyd Investments Pty Ltd (ACN 121 109 733) <Glenroyd A/C> (Glenroyd)	<p>Glenroyd</p> <p>88 Energy may become entitled to be registered as holder of the relevant securities pursuant to the pre-bid acceptance deed between 88 Energy and Glenroyd (Glenroyd Deed).</p>	6,100,000 Shares
88 Energy	Medserv Medical Couriers Pty Ltd (ACN 158 881 013) <Gallaher Super Fund A/C> (Medserv).	<p>Medserv</p> <p>88 Energy may become entitled to be registered as holder of the relevant securities pursuant to the pre-bid acceptance deed between 88 Energy and Medserv (Medserv Deed).</p>	8,920,344 Shares
88 Energy	Ronald James Lambert	<p>Ronald James Lambert</p> <p>88 Energy may become entitled to be registered as holder of the relevant securities pursuant to the pre-bid acceptance deed between 88 Energy and Ronald James Lambert (Lambert Deed).</p>	6,500,000 Shares
88 Energy	Benny Bind Pty Ltd (ACN 067 534 623) <Lambert Family S/Fund A/C> (Benny Bind)	<p>Benny Bind</p> <p>88 Energy may become entitled to be registered as holder of the relevant securities pursuant to the pre-bid acceptance deed between 88 Energy and Benny Bind (Benny Bind Deed).</p>	7,500,000 Shares

Holder of relevant interest	Registered holder of securities	Person entitled to be registered as holder (8)	Class and number of securities
88 Energy	Boston Legal Services Pty Limited (ACN 131 121 689) <Boston Unit A/C> (Boston Legal)	Boston Legal 88 Energy may become entitled to be registered as holder of the relevant securities pursuant to the pre-bid acceptance deed between 88 Energy and Boston Legal (Boston Legal Deed).	4,000,000 Shares
88 Energy	Chelsea Investments (WA) Pty Ltd (ACN 110 889 373) (Chelsea Investments)	Chelsea Investments 88 Energy may become entitled to be registered as holder of the relevant securities pursuant to the pre-bid acceptance deed between 88 Energy and Chelsea Investments (Chelsea Investments Deed).	6,000,000 Shares
88 Energy	Zerrin Investments Pty Ltd (ACN 110 889 346) (Zerrin Investments)	Zerrin Investments 88 Energy may become entitled to be registered as holder of the relevant securities pursuant to the pre-bid acceptance deed between 88 Energy and Zerrin Investments (Zerrin Investments Deed).	5,000,000 Shares
88 Energy	Tevlo Pty Ltd (ACN 008 949 040) (Tevlo)	Tevlo 88 Energy may become entitled to be registered as holder of the relevant securities pursuant to the pre-bid acceptance deed between 88 Energy and Michael Evans (in relation to shares held by Tevlo) (Tevlo Deed).	1,000,000 Shares
88 Energy	Tour Holdings Pty Ltd (ACN 009 271 550) (Tour Holdings)	Tour Holdings 88 Energy may become entitled to be registered as holder of the relevant securities pursuant to the pre-bid acceptance deed between 88 Energy and Michael Evans (in relation to shares held by Tour Holdings) (Tour Holdings Deed).	3,000,000 Shares
88 Energy	David James Wall <The Reserve A/C> (David Wall)	David Wall 88 Energy may become entitled to be registered as holder of the relevant securities pursuant to the pre-bid acceptance deed between 88 Energy and David Wall (Wall Deed).	29,395,798 Shares
88 Energy	Crying Rock Pty Ltd (ACN 150 468 134) <Crying Rock AC> (Crying Rock)	Crying Rock 88 Energy may become entitled to be registered as holder of the relevant securities pursuant to the pre-bid acceptance deed between 88 Energy and Crying Rock (Crying Rock Deed).	15,000,000 Shares
88 Energy	Mr Jason Alexander Bond + Ms Jennifer Kate Landgan <The Bond Super Fund A/C> (Bond Parties)	The Bond Parties 88 Energy may become entitled to be registered as holder of the relevant securities pursuant to the pre-bid acceptance deed between 88 Energy and the Bond Parties (Bond Deed).	12,000,000 Shares
88 Energy	Alexander Holdings (WA) Pty Ltd (ACN 150 512 815) (Alexander Holdings)	Alexander Holdings 88 Energy may become entitled to be registered as holder of the relevant securities pursuant to the pre-bid acceptance deed between 88 Energy and Alexander Holdings	20,000,000 Shares

Holder of relevant interest	Registered holder of securities	Person entitled to be registered as holder (8)	Class and number of securities
		(Alexander Holdings Deed).	
88 Energy	Mr Joel Peter Roberts + Mrs Janelle Mary Roberts (Roberts Parties)	The Roberts Parties <i>88 Energy may become entitled to be registered as holder of the relevant securities pursuant to the pre-bid acceptance deed between 88 Energy and the Roberts Parties (Roberts Deed).</i>	5,000,000 Shares

5. CONSIDERATION

Holder of relevant interest	Date of acquisition	Consideration (9)	Class and number of securities
88 Energy	27/04/20	Nil, however, subject to the terms and conditions of the Glenroyd Deed and if the Share Offer is accepted by Glenroyd, the consideration payable under the Share Offer (being 1.67 fully paid ordinary shares in 88 Energy for every 1 XCD Energy Share).	6,100,000 Shares
88 Energy	27/04/20	Nil, however, subject to the terms and conditions of the Medserv Deed and if the Share Offer is accepted by Medserv, the consideration payable under the Share Offer (being 1.67 fully paid ordinary shares in 88 Energy for every 1 XCD Energy Share).	8,920,344 Shares
88 Energy	27/04/20	Nil, however, subject to the terms and conditions of the Lambert Deed and if the Share Offer is accepted by Ronald James Lambert, the consideration payable under the Share Offer (being 1.67 fully paid ordinary shares in 88 Energy for every 1 XCD Energy Share).	6,500,000 Shares
88 Energy	27/04/20	Nil, however, subject to the terms and conditions of the Benny Bind Deed and if the Share Offer is accepted by Benny Bind, the consideration payable under the Share Offer (being 1.67 fully paid ordinary shares in 88 Energy for every 1 XCD Energy Share).	7,500,000 Shares
88 Energy	27/04/20	Nil, however, subject to the terms and conditions of the Boston Legal Deed and if the Share Offer is accepted by Boston Legal, the consideration payable under the Share Offer (being 1.67 fully paid ordinary shares in 88 Energy for every 1 XCD Energy Share).	4,000,000 Shares
88 Energy	27/04/20	Nil, however, subject to the terms and conditions of the Chelsea Investments Deed and if the Share Offer is accepted by Chelsea Investments, the consideration payable under the Share Offer (being 1.67 fully paid ordinary shares in 88 Energy for every 1 XCD Energy Share).	6,000,000 Shares
88 Energy	27/04/20	Nil, however, subject to the terms and conditions of the Zerrin Investments Deed and if the Share Offer is accepted by Zerrin Investments, the consideration payable under the Share Offer (being 1.67 fully paid ordinary shares in 88 Energy for every 1 XCD Energy Share).	5,000,000 Shares

Holder of relevant interest	Date of acquisition	Consideration (9)	Class and number of securities
88 Energy	27/04/20	Nil, however, subject to the terms and conditions of the Tevlo Deed and if the Share Offer is accepted by Tevlo, the consideration payable under the Share Offer (being 1.67 fully paid ordinary shares in 88 Energy for every 1 XCD Energy Share).	1,000,000 Shares
88 Energy	27/04/20	Nil, however, subject to the terms and conditions of the Tour Holdings Deed and if the Share Offer is accepted by Tour Holdings, the consideration payable under the Share Offer (being 1.67 fully paid ordinary shares in 88 Energy for every 1 XCD Energy Share).	3,000,000 Shares
88 Energy	27/04/20	Nil, however, subject to the terms and conditions of the Wall Deed and if the Share Offer is accepted by David Wall, the consideration payable under the Share Offer (being 1.67 fully paid ordinary shares in 88 Energy for every 1 XCD Energy Share).	29,395,798 Shares
88 Energy	27/04/20	Nil, however, subject to the terms and conditions of the Crying Rock Deed and if the Share Offer is accepted by Crying Rock, the consideration payable under the Share Offer (being 1.67 fully paid ordinary shares in 88 Energy for every 1 XCD Energy Share).	15,000,000 Shares
88 Energy	27/04/20	Nil, however, subject to the terms and conditions of the Bond Deed and if the Share Offer is accepted by the Bond Parties, the consideration payable under the Share Offer (being 1.67 fully paid ordinary shares in 88 Energy for every 1 XCD Energy Share).	12,000,000 Shares
88 Energy	27/04/20	Nil, however, subject to the terms and conditions of the Alexander Holdings Deed and if the Share Offer is accepted by Alexander Holdings, the consideration payable under the Share Offer (being 1.67 fully paid ordinary shares in 88 Energy for every 1 XCD Energy Share).	20,000,000 Shares
88 Energy	27/04/20	Nil, however, subject to the terms and conditions of the Roberts Deed and if the Share Offer is accepted by the Roberts Parties, the consideration payable under the Share Offer (being 1.67 fully paid ordinary shares in 88 Energy for every 1 XCD Energy Share).	5,000,000 Shares

6. ASSOCIATES

Name	Address
Accumulate Energy USA Inc.	Accumulate Energy USA Inc. is an associate of 88 Energy under section 12(2)(a) of the Corporations Act because it is a wholly owned subsidiary of 88 Energy and is an associate of each other subsidiary of 88 Energy (88 Energy Subsidiaries) because all of these entities are controlled by 88 Energy.
Accumulate Energy Alaska Inc.	Accumulate Energy Alaska Inc. is an associate of 88 Energy under section 12(2)(a) of the Corporations Act because it is a wholly owned subsidiary of 88 Energy and is an associate of each other 88 Energy Subsidiary because all of these entities are controlled by 88 Energy.
Regenerate Energy USA., Inc.	Regenerate Energy USA., Inc. is an associate of 88 Energy under section 12(2)(a) of the Corporations Act because it is a wholly owned subsidiary of 88 Energy and is an associate of each other 88 Energy Subsidiary because all of these entities are controlled by 88 Energy.
Captivate Energy Alaska Inc.	Captivate Energy Alaska Inc. is an associate of 88 Energy under

Name	Address
	section 12(2)(a) of the Corporations Act because it is a wholly owned subsidiary of 88 Energy and is an associate of each other 88 Energy Subsidiary because all of these entities are controlled by 88 Energy.
Regenerate Alaska, Inc.	Regenerate Alaska, Inc. is an associate of 88 Energy under section 12(2)(a) of the Corporations Act because it is a wholly owned subsidiary of 88 Energy and is an associate of each other 88 Energy Subsidiary because all of these entities are controlled by 88 Energy.

7. ADDRESSES

Name	Address
XCD Energy	Level 1, 35 Outram Street, West Perth WA 6005
88 Energy and the 88 Energy Subsidiaries	Level 2, 5 Ord Street, West Perth WA 6005
Glenroyd	25 Dumbarton Crescent, Menora, WA 6050
Medserv	'Subiaco Mews' Suite 29, 375 Hay Street, Subiaco WA 6008
Ronald James Lambert	GPO BOX Z5225, St Georges Terrace, Perth WA, 6831
Benny Bind	Suite 9, 2-4 Merton Street, Sutherland NSW 2232
Boston Legal	27 Quagamirup Road, Wandillup WA 6256
Chelsea Investments	Unit 2, 14 Nicholson Road, Subiaco WA 6008
Zerrin Investments	4 Clovelly Road, City Beach WA 6015
Michael Evans	Unit 4, 15 Old Jacaranda Way, Subiaco WA 6008
David James Wall <The Reserve A/C>	21 North Banff Road, Floreat WA 6014
Crying Rock	Level 3, 216 St Georges Terrace, Perth WA 6000
The Bond Parties	GPO BOX Z5225, St Georges Terrace, Perth WA, 6831
Alexander Holdings	c/- Sampey & Co, Suite 102, 48-50 Outram Street, West Perth WA 6005
The Roberts Parties	20 Bight Reefs Road, Singleton WA 6175

Signature

print name	David Wall	capacity	Managing Director
sign here		date	28 / 4 / 2020

ANNEXURE B

XCD Energy Limited (ACN 108 403 425)

This is Annexure B of fifteen (15) pages referred to in Form 603 (Notice of Initial Substantial Holder)

**88 ENERGY LIMITED
ACN 072 964 179
(Bidder)**

and

**THE PARTY SET OUT IN PART 1 Of SCHEDULE 1
(Shareholder)**

PRE-BID ACCEPTANCE DEED

BETWEEN

88 ENERGY LIMITED (ACN 072 964 179) of Level 2, 5 Ord Street, West Perth WA 6005 (the **Bidder**)

AND

THE PARTY SET OUT IN PART 1 OF SCHEDULE 1 (the **Shareholder**).

RECITALS

- A. At the date of this Deed, the Shareholder owns XCD Energy Securities.
- B. The Shareholder undertakes to accept the Takeover Offers with respect to the Acceptance Securities, on the terms and conditions set out in this Deed.

THE PARTIES AGREE AS FOLLOWS:

1. INTERPRETATION

1.1 Definitions

The following definitions apply in this Deed:

Acceptance Securities means number of XCD Energy Shares and XCD Energy Quoted Options held by the Shareholder at the date of this Deed as set out in Part 2 of Schedule 1.

Acceptance Time means 5:00 pm (Perth time) on the date which is five Business Days after the commencement of the Offer Period.

ASIC means the Australian Securities and Investment Commission.

Associate includes:

- (a) in respect of the Bidder, any person who is a wholly-owned subsidiary of the Bidder; and
- (b) in any other case, any person who is an "associate" under section 12 of the Corporations Act.

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

Bidder Share means a fully paid ordinary share in the Bidder.

Business Day means a day:

- (a) that is not a Saturday, Sunday, public holiday or bank holiday in Western Australia; and
- (b) on which ASX is open for trading in securities.

Company means XCD Energy Limited (ACN 108 403 425).

Competing Transaction means any transaction announced by the Company or a third party which, if completed substantially in accordance with its terms, would mean a person (other than the Bidder and its Associates) would:

- (a) directly or indirectly, acquire an interest or Relevant Interest in or become the holder of:
 - (i) 20% or more of all XCD Energy Shares; or
 - (ii) all or a substantial part of the business conducted by the Company;
- (b) acquire control of the Company, within the meaning of section 50AA of the Corporations Act; or
- (c) otherwise directly or indirectly acquire or merge with the Company or acquire an economic interest in the whole or a substantial part of the Company or its businesses (including by takeover offer, scheme of arrangement, capital reduction, sale of assets, strategic alliance, joint venture, partnership or reverse takeover bid).

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

Deed means the deed constituted by this document and includes any schedules.

Government Authority means a government or government department, a governmental or semi-governmental or judicial person (whether autonomous or not) charged with the administration of any applicable law.

Offer Period means the period of time during which offers under the Takeover Offers remain open for acceptance.

Relevant Interest has the meaning given by section 9 of the Corporations Act.

Superior Proposal means a Competing Transaction which, is in the determination of the Shareholder acting reasonably and in good faith:

- (a) reasonably capable of being completed taking into account all aspects of the Competing Transaction; and
- (b) more favourable to the Shareholder than the Takeover Offers, taking into account all terms and conditions of the Competing Transaction.

Takeover Offers means offers by the Bidder or one of its Associates under takeover bids pursuant to Chapter 6 of the Corporations Act to:

- (a) acquire all the XCD Energy Shares on issue, for bid consideration of 1.67 new Bidder Shares for every XCD Energy Share held; and
- (b) acquire all the XCD Energy Quoted Options on issue, for bid consideration of 0.5 new Bidder Shares for every XCD Energy Quoted Option held,

and otherwise on terms no less favourable to the holders of XCD Energy Securities than the proposed terms of the Takeover Offers communicated to the Shareholder in writing prior to the date of this Deed.

XCD Energy Quoted Option means an option to acquire an XCD Energy Share exercisable at \$0.02 on or before 30 November 2022, quoted on ASX under the code "XCDOA".

XCD Energy Securities means XCD Energy Shares and/or XCD Energy Quoted Options (as applicable).

XCD Energy Share means a fully paid ordinary share in the Company.

1.2 Interpretation

In this Deed:

- (a) headings are for convenience only and do not affect its interpretation;
- (b) no provision of this Deed will be construed adversely to a party because that party was responsible for the preparation of this Deed or that provision;
- (c) specifying anything after the words "include" or "for example" or similar expressions does not limit what else is included;

and, unless the context otherwise requires:

- (d) the expression **person** includes an individual, the estate of an individual, a corporation, an authority, an association or joint venture (whether incorporated or unincorporated), a partnership and a trust;
- (e) a reference to any party includes that party's executors, administrators, successors and permitted assigns, including any person taking by way of novation;
- (f) a reference to any document (including this Deed) is to that document as varied, novated, ratified or replaced from time to time;
- (g) words importing the singular include the plural (and vice versa) and words indicating a gender include every other gender;
- (h) references to parties, clauses, schedules, exhibits or annexures are references to parties, clauses, schedules, exhibits and annexures to or of this Deed and a reference to this Deed includes any schedule, exhibit or annexure to this Deed; and
- (i) where an action is required to be undertaken on a day that is not a Business Day it shall be undertaken on the next Business Day.

2. ACCEPTANCE OF TAKEOVER OFFERS

2.1 Obligation to accept

- (a) Subject to the Bidder publicly announcing an intention to make the Takeover Offers, the Shareholder agrees that it will irrevocably accept the Takeover Offers in respect of the Acceptance Securities by no later than the Acceptance Time.
- (b) The Shareholder acknowledges that if the Bidder announces an intention to make the Takeover Offers, which intention is expressed to be subject to one or more conditions precedent (for example an approval,

consent, authorisation or waiver from a Government Authority or other regulatory authority), then the making of the Takeover Offers will be subject to satisfaction or waiver of those conditions precedent.

2.2 Appointment of attorney

To secure the performance of the Shareholder's obligations under this clause 2, the Shareholder irrevocably appoints any director for the time being of the Bidder to be its attorney in its name and on its behalf to execute any acceptance forms and to do such other acts and things as may be necessary to accept (or procure the acceptance) of the Takeover Offers in respect of the Acceptance Securities in accordance with and as contemplated by the terms of this Deed.

2.3 Acknowledgments

For the avoidance of any doubt:

- (a) this Deed only applies to the Acceptance Securities and does not apply to any other XCD Energy Securities held or controlled by the Shareholder (for example, the Shareholder is free to deal with any XCD Energy Securities held or controlled by the Shareholder as it sees fit, other than the Acceptance Securities which must only be dealt with in accordance with this Deed); and
- (b) nothing in this Deed obliges the Bidder to announce or proceed with the Takeover Offers.

3. WARRANTIES

3.1 Warranties by the Shareholder

The Shareholder represents and warrants to the Bidder and its Associates that each of the statements in Part A of Schedule 2 is true and accurate and will be true and accurate at all times up to and including the date of acceptance of the Takeover Offers under clause 2.1.

3.2 Warranties by the Bidder

The Bidder represents and warrants to the Shareholder that each of the statements in Part B of Schedule 2 is true and accurate and will be true and accurate at all times up to and including the date of acceptance of the Takeover Offers under clause 2.1.

4. RESTRICTIONS ON THE SHAREHOLDER

The Shareholder agrees:

- (a) not to dispose of, transfer, encumber or otherwise deal with any of the Acceptance Securities or any interests in the Acceptance Securities, except to the Bidder (or an Associate of the Bidder) in accordance with this Deed;
- (b) to exercise all rights attaching to the Acceptance Securities, including any voting rights, as directed by the Bidder;
- (c) not to directly or indirectly make or cause to be made any offer, invitation or solicitation for, or directly or indirectly purchase or otherwise

acquire any Relevant Interest in any XCD Energy Securities, including the Acceptance Securities (other than pursuant to the conversion or exercise of any Company convertible securities on issue as at the date of this Deed (**Convertible Securities**));

- (d) not to co-operate or assist or enter into any agreement or arrangement with any person relating to or connected with the making of any offer for the purchase or acquisition of any Relevant Interest in any XCD Energy Securities, including the Acceptance Securities (other than pursuant to the conversion or exercise of any Convertible Securities on issue as at the date of this Deed);
- (e) not to procure another person to apply for, acquire or dispose of XCD Energy Securities, including the Acceptance Securities or enter into an agreement to apply for, acquire or dispose of XCD Energy Securities, including the Acceptance Securities (other than pursuant to the conversion or exercise of any Convertible Securities on issue as at the date of this Deed); and
- (f) on and from the date the Shareholder accepts the Takeover Offers, not to withdraw its acceptance, even if the Shareholder may be permitted to do so by law (including under section 650E of the Corporations Act) or under the terms of the Takeover Offers.

5. TERMINATION OF OBLIGATIONS IN CLAUSES 2 AND 4

The obligations set out in clause 2 and clause 4 terminate immediately and will cease to be of any effect, without any further action being required of either party, if:

- (a) after the date that the Bidder makes the public announcement referred to in clause 2.1 but prior to the Acceptance Time:
 - (i) a Superior Proposal is announced; and
 - (ii) the Bidder does not announce within 5 days after the Superior Proposal is announced that it has increased the consideration under the Takeover Offers such that the Superior Proposal ceases to be a Superior Proposal;
- (b) the Takeover Offers have not been made within two months after the date that the Bidder makes the public announcement referred to in clause 2.1 or, having been made, are withdrawn;
- (c) the Takeover Offers lapse or expire because a defeating condition has not been satisfied or waived at the end of the Offer Period; or
- (d) the offers under the Takeover Offers have been declared unconditional (or the Bidder has notified that all of the conditions have been satisfied or waived) and the Shareholder has accepted the Takeover Offers in respect of the Acceptance Securities.

6. CONFIDENTIALITY

- (a) The parties agree to keep this Deed and its contents (including the existence and terms of the Takeover Offers) confidential until the Bidder has given a substantial holding notice to ASX (which attaches a copy of this Deed) in respect of the Relevant Interest that the Bidder acquires as

a result of this Deed, or until the Bidder has otherwise announced the terms of this Deed to ASX as part of its announcement of the Takeover Offers.

- (b) The Shareholder consents to the inclusion of statements reflecting the terms and conditions of this Deed to be included in any public announcement in respect of the Takeover Offers including in any bidders statement, supplementary bidders statement, notice of meeting, target's statement or supplementary target's statement.

7. NOTICES

7.1 Service of notices

A notice, demand, consent, approval or communication under this Deed (**Notice**) must be:

- (a) in writing, in English and signed by a person duly authorised by the sender; and
- (b) hand delivered or sent by prepaid post, courier or email or other electronic means (**Electronic Communication**) to the recipient's address for Notices specified in clause 7.2, as varied by any Notice given by the recipient to the sender.

7.2 Address of parties

The initial address for Notices for each party shall be:

- (a) for the Shareholder: as set out in Part 1 of Schedule 1; and
- (b) for the Bidder:

Address: 88 Energy Limited
Level 2, 5 Ord Street
West Perth WA 6005

Email: DWall@88energy.com

For the attention of: David Wall

7.3 Electronic Communications

Notices may be delivered using a form of Electronic Communication or if a party (the **Notifying Party**) gives a Notice to the other party stating that Electronic Communications is no longer an accepted form of communication for Notices addressed to the Notifying Party.

7.4 Effective on receipt

A Notice given in accordance with clause 7.1 takes effect when taken to be received (or at a later time specified in it), and is taken to be received:

- (a) if hand delivered (including by courier), on delivery;
- (b) if sent by prepaid post, on the second Business Day after the date of posting (or on the eighth Business Day after the date of posting if posted to or from a place outside Australia); or

- (c) if sent by Electronic Communication, at the time of transmission unless, within 24 hours of transmission or, if the unsuccessful transmission is as consequence of any act or omission of the sender or defect or deficiency in the sender's transmitting equipment, any time after transmission, the sender receives advice that the transmission has been unsuccessful,

but if the delivery, receipt or transmission is not on a Business Day or is after 5.00pm (addressee's time) on a Business Day, the Notice is taken to be received at 9.00am (addressee's time) on the next Business Day.

8. COSTS

Each party must pay its own expenses incurred in negotiating, preparing, executing, completing and carrying into effect this Deed.

9. GENERAL

9.1 Further Acts

Each party will promptly do and perform all further acts and execute and deliver all further documents (in form and content reasonably satisfactory to that party) required by law or reasonably requested by the other party to give effect to this Deed.

9.2 Third party rights

If a provision of this Deed (including clause 3.1) is expressed to benefit an Associate of the Bidder (**Beneficiary**), the Shareholder agrees that the Bidder holds that benefit in its own capacity and as trustee for the Beneficiary, and may enforce this Deed on their behalf and for their benefit.

9.3 Assignment

No party may assign, novate or otherwise transfer any of its rights or obligations under this Deed without the prior written consent of the other party.

9.4 Severability

If any term or provision of this Deed is invalid, illegal or unenforceable such invalidity, illegality or unenforceability will not affect any other term or provision of this Deed.

9.5 No merger

The rights and obligations of the parties under this Deed do not merge on completion of any transaction contemplated by this Deed.

9.6 Enurement

The provisions of this Deed will enure for the benefit of and be binding on the parties and their respective successors and permitted substitutes and assigns and (where applicable) legal personal representatives.

9.7 Entire agreement

This Deed constitutes the entire understanding of the parties with respect to the subject matter and replaces all other agreements (whether written or oral) between the parties.

9.8 Counterparts

This Deed may be executed in any number of counterparts. All counterparts will be taken to constitute one instrument. Electronic or facsimile signatures are taken to be valid and binding to the same extent as original signatures.

9.9 Jurisdiction

Each party irrevocably submits to the non-exclusive jurisdiction of the courts of Western Australia, and the courts competent to determine appeals from those courts, with respect to any proceedings which may be brought at any time relating to this Deed.

9.10 Governing law

This Deed is governed by and will be construed in accordance with the laws of Western Australia.

SCHEDULE 1 – DETAILS OF PARTIES

Part 1 – Details of Shareholder

Name:	
Notice details:	Address: For the attention of: Email:

Part 2 – Acceptance Securities

	Number
XCD Energy Shares:	
XCD Energy Quoted Options:	

SCHEDULE 2

Part A – Shareholder's Warranties

1. The Shareholder

- (a) If the Shareholder is a body corporate:
 - (i) it is duly incorporated and validly exists under the laws of the place of its incorporation; and
 - (ii) it has taken all corporate action that is necessary to authorise its entry into this Deed and carry out the transactions that it contemplates.
- (b) The Shareholder has full power and authority to enter into this Deed and perform its obligations under this Deed.
- (c) This Deed constitutes legal, valid and binding obligations of the Shareholder, enforceable against the Shareholder in accordance with its terms (except to the extent limited by equitable principles and laws affecting creditors' rights generally), subject to any necessary registration or payment of duty.
- (d) Neither execution of this Deed by the Shareholder nor the carrying out by it of the transactions that this Deed contemplates, does or will:
 - (i) contravene any applicable law, regulation or authorisation;
 - (ii) contravene any contract, undertaking or instrument binding on the Shareholder or any of its property; and
 - (iii) if the Shareholder is a body corporate, contravene the Shareholder's constitution or equivalent constituent deeds.

2. The Acceptance Securities

The Shareholder is the sole legal and (unless paragraph 3(b) below applies) beneficial owner of the Acceptance Securities with full power to transfer good title to the Bidder (or its Associate).

3. No Trust

The Shareholder is either:

- (a) not entering into this Deed as trustee of any trust or settlement; or
- (b) entering into this Deed as trustee of a trust or settlement (the **Trust**) and each statement in paragraph 4 below is true and accurate.

4. Trust

- (a) In this paragraph 4, **Trust Deed** means the trust deed that establishes and governs the Trust.
- (b) The Trust is duly constituted and has not terminated, nor has the date or any event occurred for the vesting of the assets of the Trust.

- (c) The Shareholder is the sole trustee of the Trust. The Shareholder has not given any notice of resignation and no action has been taken to remove it or to appoint an additional trustee of the Trust.
- (d) The Shareholder has full legal capacity and power under the Trust Deed to:
 - (i) own the assets of the Trust and carry on any business of the Trust as it is now being conducted; and
 - (ii) enter into this Deed and carry out the transactions that this Deed contemplates,as trustee of the Trust.

Part B – Bidder's Warranties

5. The Bidder

- (a) The Bidder is duly incorporated and validly exists under the laws of the place of its incorporation.
- (b) The Bidder has taken all corporate action that is necessary to authorise its entry into this Deed and carry out the transactions that it contemplates.
- (c) This Deed constitutes legal, valid and binding obligations of the Bidder, enforceable against the Bidder in accordance with its terms (except to the extent limited by equitable principles and laws affecting creditors' rights generally), subject to any necessary registration or payment of duty.
- (d) Neither execution of this Deed by the Bidder nor the carrying out by it of the transactions that this Deed contemplates, does or will:
 - (i) contravene any applicable law, regulation or authorisation;
 - (ii) contravene any contract, undertaking or instrument binding on the Bidder or any of its property; or
 - (iii) contravene the Bidder's constitution.

EXECUTED as a deed.

EXECUTED AS A DEED by)
[INSERT FULL NAME OF SHAREHOLDER])
ACN [insert])
in accordance with section 127 of the)
Corporations Act 2001 (Cth):)

Signature of director

Signature of director/company secretary*

Name of director

Name of director/company secretary*

*please delete as applicable

EXECUTED AS A DEED by)
88 ENERGY LIMITED)
ACN 072 964 179)
in accordance with section 127 of the)
Corporations Act 2001 (Cth):)

Signature of director

Signature of director/company secretary*

Name of director

Name of director/company secretary*

Signature

print name

David Wall

capacity

Managing Director

sign here



date

28 / 4 / 2020