

18 June 2020

## **88 ENERGY DECLARES XCD ENERGY TAKEOVER OFFERS UNCONDITIONAL AND ACCELERATES PAYMENT TERMS**

- **88 Energy declares XCD Energy recommended Takeover Offers unconditional**
- **The offer consideration has been declared final and will not be increased**
- **Payment terms accelerated to 7 business days on receipt of valid acceptances**
- **XCD Energy Board continues to unanimously recommend acceptance of the takeover offers in the absence of a superior proposal and subject to the Independent Expert continuing to conclude that the Offers are reasonable**
- **88 Energy has a relevant interest in 59.27% of XCD Energy's shares and 28.53% of XCD Energy's listed options**
- **Takeover Offers currently scheduled to close at 7.00pm (Sydney time) on 25 June 2020 (unless extended or withdrawn)**

88 Energy Limited (ASX: 88E; AIM: 88E) ("**88 Energy**") is pleased to announce that it has declared its recommended off-market takeover offers ("**Offers**") for all of the ordinary shares and listed options in XCD Energy Limited (ASX: XCD) ("**XCD Energy**") free from all defeating conditions.

As at 7pm (Sydney time) on 17 June 2020, 88 Energy had a relevant interest in 59.27% of XCD Energy's shares and 28.53% of XCD Energy's listed options.

Notices in accordance with section 650F and section 630(3) of the Corporations Act 2001 (Cth) ("**Corporations Act**") were provided to XCD Energy today and are attached to this announcement as Annexure A and Annexure B respectively.

### **ACCELERATED PAYMENT TERMS**

88 Energy confirms that XCD Energy shareholders and listed option holders who validly accepted the Offers made to them before they were declared unconditional will be issued their consideration by 26 June 2020. Any XCD Energy shareholders and listed option holders who are yet to validly accept the Offers made to them will be issued with their 88 Energy shares and listed options within 7 business days of their acceptance being processed.

### **BEST AND FINAL OFFERS**

88 Energy notes its Offers of:

- 2.4 new 88 Energy shares for every 1 of your XCD Energy shares; and
- 0.7 new 88 Energy shares for every 1 of your XCD Energy listed options,

are 88 Energy's **BEST AND FINAL OFFERS** which will not be increased.

### **MINORITY SHAREHOLDERS IN XCD ENERGY**

If 88 Energy acquires a relevant interest in XCD Energy of 90% or more, 88 Energy intends to proceed with compulsory acquisition of any outstanding XCD Energy shares and listed options under Part 6A of the Corporations Act. If this occurs, XCD Energy security holders who have their XCD Energy shares and listed options acquired compulsorily will NOT be eligible for accelerated payment terms.



The Board of 88 Energy advises that, if remaining XCD Energy shareholders and listed options do not accept the Offers, and 88 Energy does not reach compulsory acquisition thresholds (which include a 90% relevant interest in XCD Energy) by the closing date of the Offers, they will remain a minority shareholder in XCD Energy with reduced influence in the running of the business. Should this occur, decisions made in respect of XCD Energy's business, under the control of 88 Energy, may impact XCD Energy shareholders and listed option holders who do not accept the Offers.

Further, 88 Energy's controlling position may affect the liquidity of the minority holders of securities in XCD Energy. This may increase the difficulty for minority securityholders to sell their XCD Energy shares or listed options at an attractive price. 88 Energy has indicated that it intends to have XCD Energy removed from the ASX, which would considerably decrease the liquidity for remaining XCD Energy shareholders and listed option holders.

#### **HOW TO ACCEPT THE OFFERS**

88 Energy urges all XCD Energy security holders who have not yet accepted the Offers made to them to **ACCEPT WITHOUT DELAY** and take advantage of the accelerated payment terms to become an 88 Energy security holder.

The Offers are currently scheduled to close on **7.00pm (Sydney time) on 25 June 2020**.

Acceptance forms have been provided to XCD Energy listed securityholders. Securityholders who hold their XCD Energy shares and/or listed options through CHESS can instruct their broker to accept the Offers on their behalf.

If you have any queries in relation to how to accept the Offers or any other matter pertaining to the Offers, please do not hesitate to contact the 88 Energy Offer Information Line on 1300 095 745 (within Australia) or +61 3 9415 4300 (from outside Australia).

This announcement has been authorised by the Board of 88 Energy.

-ENDS-

For further information, please contact:

#### **88 Energy Limited**

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Managing Director  
88 Energy Ltd

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#### ***Media and Investor Relations:***

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## ANNEXURE A

### NOTICE UNDER SECTION 650F OF THE CORPORATIONS ACT 2001 (CTH): DECLARING THE OFFERS FREE OF CONDITIONS

- To:
1. XCD Energy Limited (ACN 108 403 425) (**XCD Energy**).
  2. ASX Limited (ACN 008 624 691) (**ASX**).

This is a notice given by 88 Energy Limited (ACN 072 964 179) (**88 Energy**) in relation to the offers dated 25 May 2020 made under its off-market takeover bid to acquire all the ordinary shares and listed options in XCD Energy (**Offers**) pursuant to its replacement bidder's statement dated 21 May 2020 (**Bidder's Statement**).

Words defined in the Bidder's Statement have the same meaning in this notice, unless the context requires otherwise.

#### OFFERS FREE FROM CONDITIONS

For the purposes of section 650F of the Corporations Act 2001 (Cth), 88 Energy gives notice and declares that:

- a) 88 Energy has waived the conditions to the Offers (and each contract resulting from the acceptance of the Offers) set out in sections 10.8 and 11.8 of the Bidder's Statement. Accordingly, the Offers are now unconditional; and
- b) as at the date of this notice, 88 Energy's voting power in XCD Energy is 59.27%, comprising 414,747,670 shares out of a total 699,728,934 XCD Energy shares currently on issue. 88 Energy has also received acceptances for 33,507,143 listed options on issue in XCD Energy, representing 28.53% of the 117,450,000 listed options that are currently on issue.

Dated: 18 June 2020



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**Signed for and on behalf of  
88 Energy Limited**

David Wall

Managing Director

## ANNEXURE B

### NOTICE UNDER SECTION 630(3) OF THE CORPORATIONS ACT 2001 (CTH): STATUS OF CONDITIONS

- To:
1. XCD Energy Limited (ACN 108 403 425) (**XCD Energy**).
  2. ASX Limited (ACN 008 624 691) (**ASX**).

This is a notice given by 88 Energy Limited (ACN 072 964 179) (**88 Energy**) in relation to the offers dated 25 May 2020 made under its off-market takeover bid to acquire all the ordinary shares and listed options in XCD Energy (**Offers**) pursuant to its replacement bidder's statement dated 21 May 2020 (**Bidder's Statement**).

Words defined in the Bidder's Statement have the same meaning in this notice, unless the context requires otherwise.

#### NEW DATE FOR GIVING STATUS OF CONDITIONS

For the purposes of section 630(3) of the Corporations Act 2001 (Cth) (**Corporations Act**), 88 Energy gives notice that:

- a) 88 Energy has freed the Offers from the conditions set out in 10.8 and 11.8 by the notice under section 650F of the Corporations Act dated 18 June 2020. Accordingly, the Offers are now unconditional;
- b) 88 Energy confirms that, as at the date of this notice, the conditions to the Offers have not been fulfilled, although none of these conditions continue to apply to the Offers; and
- c) as at the date of this notice, 88 Energy's voting power in XCD Energy is 59.27%, comprising 414,747,670 shares out of a total 699,728,934 XCD Energy shares currently on issue. 88 Energy has also received acceptances for 33,507,143 listed options on issue in XCD Energy, representing 28.53% of the 117,450,000 listed options that are currently on issue.

Dated: 18 June 2020



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David Wall

Managing Director