

22 February 2016

Dear Optionholder

Pura Vida Energy NL - Pro-rata Non-renounceable Entitlement Issue

As announced today, Pura Vida Energy NL (ABN 11 150 624 169) (**Pura Vida** or the **Company**) is undertaking a pro-rata non-renounceable entitlement issue of one (1) New Share for every three (3) existing Shares held resulting in the issuing of approximately 63,251,274 fully paid ordinary shares (**New Shares**) in order to raise approximately \$1.7 million (before costs and fees) (**Offer**). The price of New Shares under the Offer is \$0.027 each. The Company lodged the Offer Document with ASX today.

The Offer is being made to all shareholders of the Company recorded on its register of members at 5.00 pm (AWST) on Monday, 29 February 2016 (**Record Date**), whose registered address is in Australia, New Zealand and the United Kingdom (**Eligible Shareholders**).

The terms and conditions of the options you currently hold do not entitle you to participate in the Offer unless you exercise your options in time for New Shares to be allotted and to be entered on the Company's register prior to Record Date.

To exercise your options and thereby participate in the Offer, you will need to deliver your notice of exercise of options together with your payment for the exercise price in respect of those options to the Company by no later than 5.00 pm (AWST) on Thursday, 25 February 2016. If received after this date, allotment of the shares prior to the Record Date cannot be assured.

Before deciding whether to exercise any or all of your options, you should consider the terms of the Offer and the exercise price of your options and if necessary consult with your professional adviser.

If you do not wish to participate in the Offer in respect of your options, you do not need to take any action.

If you have any queries concerning the Offer, please do not hesitate to contact me on +61 8 9226 2011.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'Denae Lont', written in a cursive style.

DENNAE LONT
COMPANY SECRETARY