

22 March 2016

## **ASX ANNOUNCEMENT**

Pawnee Energy Ltd (ASX:PAW) (the **Company**) advises that all five convertible noteholders have elected to convert their convertible notes into ordinary shares. Accordingly, the Board has approved the conversion of the convertible notes and the issue of 33,333,330 fully paid ordinary shares to the noteholders.

As announced on 24 February 2016, the Company received the first tranche of \$500,000 from sophisticated investor clients of Resource Capital Ltd and in exchange issued 500,000 convertible notes, each with a face value of \$1.00. Following the receipt of shareholder approval, the convertible notes were due to automatically convert into ordinary shares on 31 March 2016, however, the noteholders elected to convert the notes prior to that date as permitted under their terms of issue.

The Board has also resolved to issue 6,666,667 shares to AE Administrative Services Pty Ltd to extinguish debts for past services and 18,913,333 shares to certain members of the Board for accrued directors' fees, all of which were approved by shareholders at the Extraordinary General Meeting on 18 March 2016.

### **Board Changes**

The Company also announces the appointment of Mr Bruce Hocking as a non-executive director of the Company, effective immediately.

Mr Hocking is a Sydney-based solicitor with wide-ranging business experience in several sectors in both Australia and the US, previously holding senior executive positions in pharmaceutical, health and energy-related businesses. For 10 years, Mr Hocking was the Managing Director of the Australasian arm of a large health-related company based in New York and listed on the American Stock Exchange. Mr Hocking is also the founder and a Director and Secretary of the Australian Medical Co-operative Ltd of general practitioners.

The Company also advises the resignation of Mr Richard Groden from the Board, effective immediately. Mr Groden was one of the founding directors of the Company including its inaugural Managing Director and was instrumental in the Company's listing in 2007. The Board wishes to express its appreciation for Mr Groden's contribution to the Company and his leadership during his tenure as Managing Director.

For further information, please contact:

Mr Marcus Boland  
Executive Director  
P: +61(0) 410 197 763  
E: msb@resourcecapital.com.au

Mr Jonathan Lindh  
Company Secretary  
P: +61(0) 414 169 465  
E: jlindh@jwlc corp.com