Rule 2.7, 3.10.3, 3.10.4, 3.10.5

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 01/07/96 Origin: Appendix 5 Amended 01/07/98, 01/09/99, 01/07/00, 30/09/01, 11/03/02, 01/01/03, 24/10/05, 01/08/12, 04/03/13

Name of entity

Cove Resources Limited (to be renamed "BidEnergy Limited")

ABN

94 131 445 335

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

1	+Class of +securities issued or to be issued	(a) Fully Paid Ordinary Shares (b) Options (c) Performance Shares (d) Performance Rights
2	Number of +securities issued or to be issued (if known) or maximum number which may be issued	(a) 271,396,700 Fully Paid Ordinary Shares (b) 10,798,670 New Series A Cove Options (c) 9,243,759 New Series B Cove Options (d) 23,514,921 New Series B Cove Follow-On Options (e) 25,000,000 Advisor Options (f) 35,000,000 Class A Performance Shares (g) 35,000,000 Class B Performance Shares (h) 11,060,722 Performance Rights
3	Principal terms of the +securities (e.g. if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion)	(a) are Fully Paid Ordinary Shares (b) are Options with an exercise price of $0.10 and expiry date on 30 September 2017: see section 10.4 of prospectus dated 29 April 2016. (c) are Options with an exercise price of $0.125 and expiry date on 31 December

+ See chapter 19 for defined terms.

	2018: see section 10.4 of prospectus dated 29 April 2016. (d) are Options with an exercise price of $0.15 and expiry date of 1 July 2019: see section 10.4 of prospectus dated 29 April 2016. (e) are Options with an exercise price of $0.15 and expiry date on 30 June 2019: see section 10.4 of prospectus dated 29 April 2016. (f) are Performance Shares with the terms detailed in section 10.2 of the prospectus dated 29 April 2016. (g) are Performance Shares with the terms detailed in section 10.3 of the prospectus dated 29 April 2016. (h) 2,917,900 are Performance Rights with the terms detailed in section 10.5 of the prospectus dated 29 April 2016, whilst 8,142,822 are Performance Rights expiring 21 January 2019 and vesting in 9 tranches, 28% vesting 12 months from 21 January 2016 and 9% vesting each quarter thereafter. Other terms are as detailed in section 10.5 of the prospectus dated 29 April 2016.
4 Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities? If the additional +securities do not rank equally, please state: • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment	(a) Yes (b) N/A (c) N/A (d) N/A (e) N/A (f) N/A (g) N/A (h) N/A

5	Issue price or consideration	(a) 201,396,700 Fully Paid Ordinary Shares issued to shareholders of BidEnergy Pty Ltd in consideration for the acquisition of BidEnergy Pty Ltd. (b) 70,000,000 Fully Paid Ordinary Shares to be issued at $0.10 each. (c) 43,557,350 Options to be issued to shareholders of BidEnergy Pty Ltd in consideration for the acquisition of BidEnergy Pty Ltd. (d) 25,000,000 Advisor Options to Cygnet Capital Pty Ltd and Canaccord Genuity (Australia) Ltd in consideration for introduction of the BidEnergy Acquisition to the Company. (e) 70,000,000 Performance Shares issued to shareholders of BidEnergy Pty Ltd in consideration for the acquisition of BidEnergy Pty Ltd. (f) 11,060,722 Performance Rights issued to certain employees pursuant to the proposed long term incentive plan.
6	Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)	(a) 201,396,700 Fully Paid Ordinary Shares issued to shareholders of BidEnergy Pty Ltd in consideration for the company's acquisition. (b) 70,000,000 Fully Paid Ordinary Shares to be issued pursuant to capital raising. (c) 43,557,350 Options to be issued to shareholders of BidEnergy Pty Ltd in consideration for the acquisition of BidEnergy Pty Ltd. (d) 25,000,000 Advisor Options to Cygnet Capital Pty Ltd and Canaccord Genuity (Australia) Ltd in consideration for introduction of the BidEnergy Acquisition to the Company. (e) 70,000,000 Performance Shares issued to shareholders of BidEnergy Pty Ltd in consideration for the acquisition of BidEnergy Pty Ltd. (f) 11,060,722 Performance Rights issued to certain employees pursuant to the proposed long term incentive plan.

+ See chapter 19 for defined terms.

6a	Is the entity an +eligible entity that has obtained security holder approval under rule 7.1A? If Yes, complete sections 6b – 6h *in relation to the +securities the subject of this Appendix 3B*, and comply with section 6i	No
6b	The date the security holder resolution under rule 7.1A was passed	
6c	Number of +securities issued without security holder approval under rule 7.1	
6d	Number of +securities issued with security holder approval under rule 7.1A	
6e	Number of +securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)	
6f	Number of +securities issued under an exception in rule 7.2	
6g	If +securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the +issue date and both values. Include the source of the VWAP calculation.	
6h	If +securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements	
6i	Calculate the entity's remaining issue capacity under rule 7.1 and rule 7.1A – complete Annexure 1 and release to ASX Market Announcements	LR7.1 - 48,173,453

7	+Issue dates Note: The issue date may be prescribed by ASX (refer to the definition of issue date in rule 19.12). For example, the issue date for a pro rata entitlement issue must comply with the applicable timetable in Appendix 7A. Cross reference: item 33 of Appendix 3B.	1 July 2016

		Number	+Class
8	Number and +class of all +securities quoted on ASX (*including* the +securities in section 2 if applicable)	321,156,351 28,430,006	Fully Paid Ordinary Shares Options: Exercise Price $0.10 expires on 30 June 2019

		Number	+Class
9	Number and +class of all +securities not quoted on ASX (*including* the +securities in section 2 if applicable)	35,000,000 35,000,000 10,798,670 9,243,759 23,514,921 25,000,000 11,060,722	Class A Performance Shares Class B Performance Shares New Series A Cove Options New Series B Cove Options New Series B Cove Follow-On Options Advisory Options Performance Rights

10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	Unchanged

+ See chapter 19 for defined terms.

Part 2 - Pro rata issue

11	Is security holder approval required?	
12	Is the issue renounceable or non-renounceable?	
13	Ratio in which the +securities will be offered	
14	+Class of +securities to which the offer relates	
15	+Record date to determine entitlements	
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	
17	Policy for deciding entitlements in relation to fractions	
18	Names of countries in which the entity has security holders who will not be sent new offer documents Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.	
19	Closing date for receipt of acceptances or renunciations	
20	Names of any underwriters	
21	Amount of any underwriting fee or commission	
22	Names of any brokers to the issue	
23	Fee or commission payable to the broker to the issue	
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of security holders	

25	If the issue is contingent on security holders' approval, the date of the meeting	
26	Date entitlement and acceptance form and offer documents will be sent to persons entitled	
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	
28	Date rights trading will begin (if applicable)	
29	Date rights trading will end (if applicable)	
30	How do security holders sell their entitlements *in full* through a broker?	
31	How do security holders sell *part* of their entitlements through a broker and accept for the balance?	
32	How do security holders dispose of their entitlements (except by sale through a broker)?	
33	+Issue date	

+ See chapter 19 for defined terms.

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

34 Type of +securities
(*tick one*)

(a) ☒ +Securities described in Part 1

Fully Paid Ordinary Shares

(b) ☐ All other +securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

35 ☐ If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders

36 ☐ If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories
1 - 1,000
1,001 - 5,000
5,001 - 10,000
10,001 - 100,000
100,001 and over

37 ☐ A copy of any trust deed for the additional +securities

Entities that have ticked box 34(b)

38 Number of +securities for which +quotation is sought

39 +Class of +securities for which quotation is sought

40	Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities? If the additional +securities do not rank equally, please state: • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment	
41	Reason for request for quotation now Example: In the case of restricted securities, end of restriction period (if issued upon conversion of another +security, clearly identify that other +security)	

		Number	+Class
42	Number and +class of all +securities quoted on ASX (*including* the +securities in clause 38)		

+ See chapter 19 for defined terms.

Quotation agreement

1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.

2 We warrant the following to ASX.

- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.

- There is no reason why those +securities should not be granted +quotation.

- An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

  Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.

- If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

4 We give ASX the information and documents required by this form. If any information or document is not available now, we will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Sign here: ..... Date: 1 July 2016
(Director)

Print name: Winton Willesee

== == == == ==

Appendix 3B – Annexure 1

Calculation of placement capacity under rule 7.1 and rule 7.1A for eligible entities

Introduced 01/08/12 Amended 04/03/13

Part 1

Rule 7.1 – Issues exceeding 15% of capital	
Step 1: Calculate "A", the base figure from which the placement capacity is calculated	
Insert number of fully paid +ordinary securities on issue 12 months before the +issue date or date of agreement to issue	49,759,651 (Post consolidation)
Add the following: • Number of fully paid +ordinary securities issued in that 12 month period under an exception in rule 7.2 • Number of fully paid +ordinary securities issued in that 12 month period with shareholder approval • Number of partly paid +ordinary securities that became fully paid in that 12 month period *Note:* • *Include only ordinary securities here – other classes of equity securities cannot be added* • *Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed* • *It may be useful to set out issues of securities on different dates as separate line items*	271,396,700
Subtract the number of fully paid +ordinary securities cancelled during that 12 month period	Nil
"A"	321,156,351

+ See chapter 19 for defined terms.

Step 2: Calculate 15% of "A"	
"B"	0.15 *[Note: this value cannot be changed]*
Multiply "A" by 0.15	48,173,453
Step 3: Calculate "C", the amount of placement capacity under rule 7.1 that has already been used	
Insert number of +equity securities issued or agreed to be issued in that 12 month period *not counting* those issued: • Under an exception in rule 7.2 • Under rule 7.1A • With security holder approval under rule 7.1 or rule 7.4 *Note:* • *This applies to equity securities, unless specifically excluded – not just ordinary securities* • *Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed* • *It may be useful to set out issues of securities on different dates as separate line items*	Nil
"C"	Nil
Step 4: Subtract "C" from ["A" x "B"] to calculate remaining placement capacity under rule 7.1	
"A" x 0.15 *Note: number must be same as shown in Step 2*	48,173,453
Subtract "C" *Note: number must be same as shown in Step 3*	Nil
Total ["A" x 0.15] – "C"	48,173,453

Part 2

Rule 7.1A – Additional placement capacity for eligible entities	
Step 1: Calculate "A", the base figure from which the placement capacity is calculated	
"A" *Note: number must be same as shown in Step 1 of Part 1*	
Step 2: Calculate 10% of "A"	
"D"	0.10 *Note: this value cannot be changed*
Multiply "A" by 0.10	
Step 3: Calculate "E", the amount of placement capacity under rule 7.1A that has already been used	
Insert number of +equity securities issued or agreed to be issued in that 12 month period under rule 7.1A *Notes:* • *This applies to equity securities – not just ordinary securities* • *Include here – if applicable – the securities the subject of the Appendix 3B to which this form is annexed* • *Do not include equity securities issued under rule 7.1 (they must be dealt with in Part 1), or for which specific security holder approval has been obtained* • *It may be useful to set out issues of securities on different dates as separate line items*	
"E"	

+ See chapter 19 for defined terms.

Step 4: Subtract "E" from ["A" x "D"] to calculate remaining placement capacity under rule 7.1A	
"A" x 0.10 *Note: number must be same as shown in Step 2*	
Subtract "E" *Note: number must be same as shown in Step 3*	
Total ["A" x 0.10] – "E"	

+ See chapter 19 for defined terms.