

26 June 2013

Sprint raises \$750,000 from Strategic Investor

- **International oil and gas production company has agreed to take strategic equity interest in Sprint by way of a A\$750,000 convertible note,**
- **In addition, the Company and the Investor have agreed indicative terms for a 2 year term A\$10,000,000 loan for the purpose of funding the second well in the Tomsk 71-1 drilling program;**
- **Drilling on license block 71-1 to commence early next quarter on re-entry well.**

Sprint Energy Limited ("**Sprint**" or "**the Company**") (ASX Code: SPS) is pleased to announce that an international oil and gas production company, ("**the Investor**"), has agreed to take a strategic equity interest in the Company by way of a AUD\$750,000 convertible note and the offer of a \$10m loan facility. The funds received from the Investor combined with the loan facility will ensure Sprint is funded for both the re-entry and development wells on Sprint's Tomsk project, license block 71-1 in the prolific oil and gas region of Tomsk.

Subject to any necessary Company shareholder approvals, the Investor will acquire its strategic interest by way of a convertible note. The unsecured convertible note converts at 0.5 cents per share and has a 10% per annum coupon rate with a maturity of 31 December 2014. The Company will also grant the Investor a free attaching option for each share pursuant to the conversion of the notes. The options will have a strike price of 0.5 cents per share and have a 5-year expiry from issue date.

Long Term Debt Funding

In addition to the above, the Investor and the Company have reached an indicative and non-binding agreement to provide a loan to the Company for A\$10,000,000 by way of high yield, non-converting 2 year term loan for the purpose of funding the second well in the Tomsk 71-1 drilling program. This debt offering, if completed, in addition to the above proposed investment will ensure that the Company is now funded for both wells that are to be drilled on the Tomsk 71-1 project, West Siberia and secure its 74% project interest. The terms of the loan will be announced upon execution of definitive transaction documents.

Tomsk 71-1 Project

Sprint has acquired the option to obtain a 74% interest in the Tomsk 71-1 Project, which is situated in the prolific Tomsk Basin in West Siberia. The West Siberian Basin is the largest oil and gas producing region in Russia, both in the geographical area it covers and the recoverable oil and gas it contains. Through OOO Bakcharneftegas ("BNG"), the Russian partner and operator, Sprint has completed mobilisation of essential equipment and consumables to the Elley-Igaiskaya site for the drilling of its planned re-entry of old Well #4 well and subsequent evaluation. Upon final payment being made to the vendor, drilling will start imminently. This is the first of a two-phase drilling operation, the second being the drilling of a new well to 4000m to test the commercial potential of the Palaeozoic carbonates that produced two hydrocarbon blow outs in the Elley-Igaiskaya #2 and #4 wells only 400m away.

Yours Sincerely
Sprint Energy Ltd

Jaap Poll
Director

About Sprint Energy Ltd

Sprint Energy Ltd is an independent oil and gas exploration and production Company, listed on the Australian Securities Exchange (ASX Code: SPS). Its primary focus of operations is currently the Tomsk project in the Russian Federation.