



**ASX / MEDIA RELEASE
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Po Valley Announces Completion of Rights Issue and Board Restructuring

Po Valley Energy today announced that on 20 April 2016 it successfully completed its partially underwritten pro rata renounceable rights issue to eligible shareholders with the issue of a total of 350,392,300 new shares.

Proceeds from the rights issue totalled AU\$1,751,961.50 before costs and will be used for a variety of purposes including the completion of the rigless remedial work on the Company's Sillaro gas wells, further investment to progress the Company's Selva and Theodorico projects towards production approval, the repayment of temporary funding facilities and general working capital purposes.

"The successful completion of the rights issue is an important step towards the Company's refinancing and restructuring plan" said the CEO, Ms Sara Edmonson. "We are now in a position to implement further steps in our restructure program including a substantial reduction in operating costs which will occur progressively over coming weeks."

The Company also announced today that its long-standing Chairman, Mr Graham Bradley AM, has retired from the Board after serving as the Company's Chairman for almost 12 years.

"With the completion of the rights issue, the Company's refinancing and restructuring plan is now firmly in place and it is an appropriate time to transition the leadership of the Board to my colleague, Mr Michael Masterman, our Deputy Chairman, who was the founder of the company and is well placed to lead its revival." said Mr Bradley.

"It has been a great privilege to chair the Board and I want to pay tribute to my board colleagues and to our small but dedicated team based in Rome, led by our Chief Executive, Ms Sara Edmonson, for their dedication and commitment, particularly in the challenging environment we have faced in recent years".

"I am also delighted to announce that Mr Kevin Bailey will join the PVE Board as of today. Mr Bailey has been a substantial shareholder for several years and will bring significant business acumen and experience to the Board. Mr Bailey has had a distinguished career in the financial planning and investments industry and is a successful businessman with a range of business interests, both local and overseas. He is a director of the Investment Advisory Board of the Timor Leste Petroleum Fund, the \$17B Sovereign Wealth Fund of Timor Leste. He is also a member of the Prime Minister's Community Business Partnership and also devotes considerable time to philanthropic interests."



Also retiring from the Board today is Mr Kevin Eley who has served as a director for the past four years and has served as Chair of the Audit and Risk Committee during this time. Both Mr Bradley and Mr Eley's resignations are effective from today.

The Board changes will reduce the size of the PVE Board from four directors to three which will contribute to the streamlining of the Company's cost structure. With Mr Eley's retirement, Dr Pirola will become Chairman of the Audit & Risk Committee.

Commenting on these developments, incoming Chairman, Michael Masterman, said "I want to thank Graham and Kevin for their significant support and contribution to the Company over many years. Graham has been Chairman of the company since its successful IPO in 2004 and Kevin has played a critical and provided incisive leadership role including his important role as Chairman of the Audit and Risk Committee."

"Po Valley Energy has a strong portfolio of low cost gas production and development assets. The priority is to clear the Company's debt, to significantly increase production and revenues and deliver regulatory approvals on our large scale offshore and onshore licences".

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