



ABN 33 087 741 571

24 June 2021

ASX Announcement

Despatch of Retail Offer Document

Po Valley Energy Limited (PVE.ASX) ("**Po Valley Energy**", the "**Company**") wishes to advise that the attached Retail Offer Document relating to the accelerated non-renounceable entitlement offer announced on 18 June 2021 (**Entitlement Offer**) has been dispatched to shareholders.

Commencement of the Retail Entitlement Offer

The retail component of the Entitlement Offer (**Retail Entitlement Offer**) will open today and closes at 7.00pm (AEST) on Friday 9 July 2021.

Eligible shareholders on the record date of 7.00pm (AEST) of Monday, 21 June 2021, may participate in the Retail Entitlement Offer at the issue price of \$0.028 per new share, on the basis of 1 new share for every 2 existing shares held.

Retail Investor Enquiries

If you have any queries concerning the Retail Entitlement Offer, or the action you are required to take to subscribe for new shares, please consult your stockbroker, accountant, solicitor or other professional advisor. For further information about the Retail Entitlement Offer you can call the Company on +61 8 9316 9100 at any time between 8:30am and 5:00pm (WST), Monday to Friday.

This announcement was approved and authorised for release by the Board of Directors of the Po Valley Energy Limited

Not for release to US wire services or distribution in the United States

ENDS

For further information contact:

Michael Masterman, Po Valley Chairman, 0418 951 792



Po Valley Energy Limited

ACN 087 741 571

Retail Offer Booklet

1 for 2 pro-rata accelerated non-renounceable entitlement offer of Po Valley Energy Limited ordinary shares at an Offer Price of \$0.028 per New Share to raise approximately \$9,062,005 (before costs).

Retail Entitlement Offer closes at 7:00pm (AEST) on 9 July 2021.

Not for release to US wire services or distribution in the United States, except by the Company to Eligible Retail Shareholders

If you are an Eligible Retail Shareholder, this Retail Offer Booklet and the personalised Entitlement and Acceptance Form that accompanies it contain important information and require your immediate attention. You should read both documents carefully and in their entirety. This Retail Offer Booklet is not a prospectus under the *Corporations Act 2001* (Cth) (**Corporations Act**) and has not been lodged with the Australian Securities and Investments Commission (**ASIC**). If you have any questions, please call your stockbroker, accountant or other professional adviser or the Company on +61 8 9316 9100 between 8:30am and 5:30pm (Perth time), Monday to Friday.

Important Notices

This Retail Offer Booklet is dated 21 June 2021 and has been issued by Po Valley Energy Limited (ACN 087 741 571) (**Po Valley or Company**). It relates to the Retail Entitlement Offer, which is part of the Entitlement Offer by Po Valley to raise approximately \$9,062,005. Unless otherwise defined in this section, capitalised terms in this section have the meaning given to them elsewhere in this Retail Offer Booklet.

The Retail Entitlement Offer is made in accordance with section 708AA of the Corporations Act (as modified by the *ASIC Corporations (Non-Traditional Rights Issues) Instrument 2016/84*). This Retail Offer Booklet is not a disclosure document or a product disclosure statement under the Corporations Act and it has not been lodged with ASIC.

This Retail Offer Booklet does not contain all the information which would be required to be disclosed in a disclosure document or a product disclosure statement. As a result, it is important for you to read and understand all the publicly available information on Po Valley and the Entitlement Offer (for example, the information available on the Australian Securities Exchange (**ASX**) website at <http://www.asx.com.au>) prior to deciding whether to accept your Entitlement and apply for New Shares. The information in this Retail Offer Booklet does not constitute financial product advice, and does not take into account your investment objectives, financial situation or particular needs.

There may be additional announcements made by Po Valley throughout the period that the Retail Entitlement Offer is open that may be relevant to your consideration of whether to take up your Entitlement in whole or in part, or to do nothing in respect of your Entitlement. Therefore, it is prudent that you check whether any further announcements have been made by Po Valley (by visiting the ASX website at www.asx.com.au) before submitting your application to take up your Entitlement or doing nothing with your Entitlement.

Please contact your stockbroker, accountant or other professional adviser or the Company on +61 8 9316 9100 between 8:30am and 5:30pm (Perth time), Monday to Friday, if you have any questions.

This Retail Offer Booklet should be read in its entirety (including the accompanying Entitlement and Acceptance Form) before you decide whether to participate in the Retail Entitlement Offer. In particular, the Investor Presentation in Section 6 of this Retail Offer Booklet details important factors and risks that could affect the financial and operating performance of Po Valley.

Importantly, please refer to the "Key Risks" sections of the Investor Presentation for details of the risks applicable to the Company and your investment in the Entitlement Offer. When making an investment decision in connection with the Retail Entitlement Offer, it is essential that you consider these risk factors carefully in light of your individual personal circumstances, including financial and taxation issues.

In addition to reading the entirety of this Retail Offer Booklet, in conjunction with Po Valley's other periodic and continuous disclosure announcements on the ASX, you should conduct your own independent review, investigations and analysis of Po Valley and the New Shares and obtain any professional advice you require to evaluate the merits and risks of an investment in Po Valley before making any investment decision.

By returning an Entitlement and Acceptance Form or otherwise paying for your New Shares through BPAY® in accordance with the instructions in the Entitlement and Acceptance Form, you acknowledge that you have read this Retail Offer Booklet and you have acted in accordance with and agree to the terms of the Retail Entitlement Offer detailed in this Retail Offer Booklet.

Foreign jurisdictions – restrictions and limitations

This Retail Offer Booklet, the Investor Presentation, any accompanying ASX Announcements and the Entitlement and Acceptance Form have been prepared to comply with the requirements of the securities laws of Australia, New Zealand, the United Kingdom, Singapore, Hong Kong and Cambodia.

This Retail Offer Booklet, the Investor Presentation, any accompanying ASX Announcements and the Entitlement and Acceptance Form do not constitute an offer in any jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer. In particular, this Retail Offer Booklet, the Investor Presentation, any accompanying ASX Announcements and the Entitlement and Acceptance Form do not constitute an offer to sell, or invitation to buy, any securities in the United States or to any person who is acting for the account or benefit of any person in the United States (to the extent such person is acting for the account or benefit of a person in the United States).

No action has been taken to register or qualify the Entitlement Offer, the Entitlements or the New Shares, or otherwise permit the public offering of the New Shares, in any jurisdiction other than Australia.

The distribution of this Retail Offer Booklet or the Entitlement and Acceptance Form (including an electronic copy) outside Australia may be restricted by law. If you come into possession of the information in this Retail Offer Booklet or the Entitlement and Acceptance Form, you should observe such restrictions. Any non-compliance with these restrictions may contravene applicable securities laws.

Canada

This Retail Offer Booklet constitutes an offering of the New Shares in the Canadian province of Alberta (the "Province") where existing shareholders of the Company are resident. This Retail Offer Booklet is not, and under no circumstances is to be construed as, an advertisement or a public offering of securities in the Province.

No securities commission or other authority in the Province has reviewed or in any way passed upon this Retail Offer Booklet, the merits of the New Shares and any representation to the contrary is an offence.

No prospectus has been, or will be, filed in the Province with respect to the offering of New Shares or the resale of such securities. Any person in the Province lawfully participating in the offer will not receive the information, legal rights or protections that would be afforded had a prospectus been filed and receipted by the securities regulator in the applicable Province.

Any resale of the New Shares in Canada must be made in accordance with applicable Canadian securities laws, which may require resales to be made in accordance with an exemption from prospectus requirements. Such resale restrictions do not apply to a first trade in a security (such as New Shares) of a foreign issuer (such as the Company) that is not a reporting issuer in Canada and that is made through an exchange or market outside of Canada (such as ASX).

The Company as well as its directors and officers may be located outside Canada and, as a result, it may not be possible for purchasers to effect service of process within Canada upon the Company or its directors or officers. All or a substantial portion of the assets of the Company and such

persons may be located outside Canada and, as a result, it may not be possible to satisfy a judgment against the Company or such persons in Canada or to enforce a judgment obtained in Canadian courts against the Company or such persons outside Canada.

European Union

This Retail Offer Booklet has not been, and will not be, registered with or approved by any securities regulator in the European Union. Accordingly, this Retail Offer Booklet may not be made available, nor may the New Shares be offered for sale, in any member state of the European Union except in circumstances that do not require a prospectus under Article 1(4) of Regulation (EU) 2017/1129 of the European Parliament and the Council of the European Union (the "Prospectus Regulation").

In accordance with Article 1(4) of the Prospectus Regulation, an offer of New Shares in each member state of the European Union is limited:

- to persons who are "qualified investors" (as defined in Article 2(e) of the Prospectus Regulation);
- to fewer than 150 natural or legal persons (other than qualified investors); or
- in any other circumstance falling within Article 1(4) of the Prospectus Regulation.

Investors in the Netherlands should note:

**Attention! This investment falls outside AFM supervision.
No prospectus required for this activity.**



United Kingdom

Neither this Retail Offer Booklet nor any other document relating to the offer has been delivered for approval to the Financial Conduct Authority in the United Kingdom and no prospectus (within the meaning of section 85 of the Financial Services and Markets Act 2000, as amended ("FSMA")) has been published or is intended to be published in respect of the New Shares.

The New Shares may not be offered or sold in the United Kingdom by means of this Retail Offer Booklet or any other document, except in circumstances that do not require the publication of a prospectus under section 86(1) of the FSMA. This Retail Offer Booklet is issued on a confidential basis in the United Kingdom to fewer than 150 persons who are existing shareholders of the Company. This Retail Offer Booklet may not be distributed or reproduced, in whole or in part, nor may its contents be disclosed by recipients, to any other person in the United Kingdom.

Any invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received in connection with the issue or sale of the New Shares has only been communicated or caused to be communicated and will only be communicated or caused to be communicated in the United Kingdom in circumstances in which section 21(1) of the FSMA does not apply to the Company.

In the United Kingdom, this Retail Offer Booklet is being distributed only to, and is directed at, persons (i) who have professional experience in matters relating to investments falling within Article 19(5) (investment professionals) of the Financial Services and Markets Act 2000 (Financial Promotions) Order 2005 ("FPO"), (ii) who fall within the categories of persons referred to in Article 49(2)(a) to (d) (high net worth companies, unincorporated associations, etc.) of the FPO or (iii) to whom it may otherwise be lawfully communicated (together "relevant persons"). The investment to which this Retail Offer Booklet relates is available only to relevant persons. Any person who is not a relevant person should not act or rely on this Retail Offer Booklet.

United States

This Retail Offer Booklet does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States. The New Shares have not been, and will not be, registered under the US Securities Act of 1933 or the securities laws of any state or other jurisdiction of the United States. Accordingly, the New Shares may not be offered or sold in the United States except to existing shareholders of the Company in transactions exempt from the registration requirements of the US Securities Act and applicable US state securities laws.

New Zealand

This Retail Offer Booklet has been prepared in compliance with Australian law and has not been registered, filed with or approved by any New Zealand regulatory authority under the Financial Markets Conduct Act 2013 (the "FMC Act"). This Retail Offer Booklet is not a product disclosure statement under New Zealand law and is not required to, and may not, contain all the information that a product disclosure statement under New Zealand law is required to contain.

The New Shares are not being offered to the public within New Zealand other than to existing shareholders of the Company with registered addresses in New Zealand to whom the offer of these securities is being made in reliance on the FMC Act and the Financial Markets Conduct (Incidental Offers) Exemption Notice 2016.

Future performance and forward-looking statements

This Retail Offer Booklet contains certain "forward looking statements". Forward looking statements can generally be identified by the use of forward looking words such as "expect", "anticipate", "likely", "intend", "propose", "should", "could", "may", "guidance", "outlook", "predict", "plan", "will", "believe", "forecast", "estimate", "target", and other similar expressions within the meaning of securities laws of applicable jurisdictions. The forward-looking statements contained in this Retail Offer Booklet are not guarantees or predictions of future performance and involve known and unknown risks and uncertainties and other factors, many of which are beyond the control of Po Valley, its directors and management, and may involve significant elements of subjective judgement and assumptions as to future events which may or may not be correct.

There can be no assurance that actual outcomes will not differ materially from these forward-looking statements. A number of important factors could cause actual results or performance to differ materially from the forward-looking statements. Investors should consider the forward-looking statements contained in this Retail Offer Booklet in light of those disclosures. You are cautioned not to place undue reliance on any forward-looking statements.

No representation or warranty, express or implied, is made as to the accuracy, likelihood of achievement or reasonableness of any forecasts, prospects, returns or statements in relation to future matters contained in this Retail Offer Booklet.

The forward-looking statements are based on information available to Po Valley as at the date of this Retail Offer Booklet. Except as required by law or regulation (including the ASX Listing Rules), Po Valley undertakes no obligation to provide any additional or updated information whether as a result of new information, future events or results or otherwise.

Past performance

Investors should note that any past performance information, including past share price performance and pro forma historical

Po Valley Energy Limited – Retail Offer Booklet

information, is provided for illustrative purposes only, and cannot be relied upon as an indicator of (and provides no guarantee or guidance as to) future Po Valley performance, including future financial position or share price performance. The pro forma historical information is not represented as being indicative of Po Valley's views on its future financial condition and/or performance.

References to “you” and “your Entitlement”

In this Retail Offer Booklet, references to “you” are references to Eligible Retail Shareholders and references to “your Entitlement” (or “your personalised Entitlement and Acceptance Form”) are references to the Entitlements (or personalised Entitlement and Acceptance Form) of Eligible Retail Shareholders.

Times and dates

Times and dates in this Retail Offer Booklet are indicative only and subject to change. All times and dates refer to Sydney time unless otherwise stated. Refer to the “Key Dates” section of this Retail Offer Booklet for more details.

Currency

Unless otherwise stated, all dollar values in this Retail Offer Booklet are in Australian dollars (A\$).

Taxation

There will be tax implications associated with participating in the Retail Entitlement Offer and receiving New Shares. This Retail Offer Booklet does not take account of the individual circumstances of particular Eligible Retail Shareholders and does not constitute tax advice. Po Valley recommends that you consult your professional tax adviser in connection with the Retail Entitlement Offer.

Privacy

Po Valley collects information about each applicant provided on an Entitlement and Acceptance Form for the purposes of processing the Application and, if the Application is successful, to administer the applicant's shareholding in Po Valley.

By submitting an Entitlement and Acceptance Form, you will be providing personal information to Po Valley (directly or through the Share Registry). Po Valley collects, holds and will use that information to assess your Application. Po Valley collects your personal information to process and administer your shareholding in Po Valley and to provide related information to you. Po Valley may disclose your personal information for purposes related to your shareholding in Po Valley, including to the Share Registry, Po Valley's related bodies corporate, agents, contractors and third-party service providers, including mailing houses and professional advisers, and to ASX and regulatory bodies. You can obtain access to your personal information held by (or on behalf of) Po Valley. To make a request for access to your personal information held by (or on behalf of) Po Valley, please contact Po Valley through the Share Registry.

Governing law

This Retail Offer Booklet, the Retail Entitlement Offer, and the contracts formed on acceptance of the Applications are governed by the laws of Western Australia, Australia. Each Eligible Retail Shareholder who submits an Application submits to the exclusive jurisdiction of the courts of Western Australia, Australia.

No representations

No person is authorised to give any information or to make any representation in connection with the Retail Entitlement Offer which is not contained in the Retail Offer Booklet. Any information or representation in connection with the Retail Entitlement Offer not contained in the Retail Offer Booklet, the accompanying Entitlement and Acceptance Form and any accompanying ASX announcements, may not be relied upon as having been authorised by Po Valley or any of its officers in connection with the Retail Entitlement Offer.

Underwriter

Henslow Pty Limited (the **Underwriter**) has acted as the lead manager, bookrunner and underwriter to the Entitlement Offer (including the Retail Entitlement Offer). Neither the Underwriter, nor any of its affiliates, related bodies corporate (as that term is defined in the Corporations Act), nor any of its respective directors, employees, officers, representatives, agents, partners, consultants and advisers nor the advisers to Po Valley or any other person including clients named in this document, have authorised, permitted or caused the issue or lodgement, submission, dispatch or provision of this Retail Offer Booklet (or any other materials released by Po Valley) and none of them makes or purports to make any statement in this Retail Offer Booklet and there is no statement in this Retail Offer Booklet which is based on any statement by any of them.

The Underwriter may, from time to time, hold interests in the securities of, or earn brokerage, fees or other benefits from Po Valley.

Disclaimer

Determination of eligibility of investors for the purposes of the institutional or retail components of the Entitlement Offer is determined by reference to a number of matters, including legal and regulatory requirements, logistical and registry constraints and the discretion of Po Valley and the Underwriter. To the maximum extent permitted by law, Po Valley and the Underwriter and each of their respective affiliates disclaim any duty or liability (including for negligence) in respect of that determination and the exercise or otherwise of that discretion.

Statements made in this Retail Offer Booklet are made only as the date of this Retail Offer Booklet. The information in this Retail Offer Booklet remains subject to change without notice.

Trading New Shares

Po Valley and Underwriter, and each of their respective directors, officers, employees, agents and consultants, will have no responsibility and disclaim all liability (to the maximum extent permitted by law) to persons who trade New Shares they believe will be issued to them before they receive their holding statements, whether on the basis of confirmation of the allocation provided by Po Valley or the Share Registry or otherwise, or who otherwise trade or purport to trade New Shares in error or which they do not hold or are not entitled to.

If you are in any doubt as to these matters you should first consult with your stockbroker, accountant or other professional adviser.

No Entitlements trading

The Entitlements are non-renounceable and cannot be traded on ASX or any other exchange, nor can they be privately transferred.

Table of Contents

Corporate Directory	5
Summary of the Retail Entitlement Offer	6
Key dates for the Retail Entitlement Offer	6
Chairman's Letter	7
Section 1 Summary of options available to you	9
Section 2 Actions required by you	10
Section 3 Effect on Control	17
Section 4 Additional information	19
Section 5 Glossary	23
Section 6 ASX Announcement and Po Valley Investor Presentation	25

Corporate Directory

Company

Po Valley Energy Limited

Suite 8, 7 The Esplanade
MOUNT PLEASANT WA 6153

Telephone Contact Details

Within Australia: 08 9316 9100

Outside of Australia: +61 8 9316 9100

Underwriter and Financial Adviser

Henslow Pty Ltd (AFSL number 483168)
Level 7, 333 Collins St,
Melbourne, Victoria, 3000

Legal Adviser

Steinepreis Paganin
Level 4, 16 Milligan Street
Perth WA 6000

Share Registry

Link Market Services Limited
QV1 Building, Level 12
250 St Georges Terrace
Perth WA 6000

Summary of the Retail Entitlement Offer

Offer Price	\$0.028 per New Share
Your Entitlement	One (1) New Share for every two (2) existing Shares held on the Record Date

Key dates for the Retail Entitlement Offer

Event	Date
Announcement of Entitlement Offer	18 June 2021
Institutional Entitlement Offer opens	18 June 2021
Institutional Entitlement Offer closes	18 June 2021
Record date for eligibility in the Retail Entitlement Offer (5:00pm, AEST)	21 June 2021
Retail Entitlement Offer opens (10:00am, AEST)	24 June 2021
Latest date for Retail Offer Booklet to be despatched, including personalised Entitlement and Acceptance Form	24 June 2021
Retail Entitlement Offer closes (7:00pm, AEST)	9 July 2021
Settlement of Retail Entitlement Offer	15 July 2021
Allotment of New Shares under the Retail Entitlement Offer	15 July 2021
Quotation and normal settlement trading of New Shares under the Retail Entitlement Offer	16 July 2021
Despatch of holding statements	16 July 2021

Note: The timetable above is indicative only and subject to change. Po Valley reserves the right to amend any or all of these dates and times subject to the Corporations Act, the ASX Listing Rules and other applicable laws. In particular, Po Valley reserves the right to extend the closing date of the Retail Entitlement Offer, to accept late applications under the Retail Entitlement Offer (either generally or in particular cases) and to withdraw or vary the Retail Entitlement Offer without prior notice. Any extension of the closing date may have a consequential effect on the issue date of New Shares. The commencement of quotation of New Shares is subject to confirmation from ASX.

No cooling off rights

Cooling off rights do not apply to an investment in New Shares. You cannot withdraw your application once it has been accepted. Eligible Retail Shareholders wishing to participate in the Retail Entitlement Offer are encouraged to submit their personalised Entitlement and Acceptance Form as soon as possible after the Retail Entitlement Offer opens.

Enquiries

If you have any questions, please call the Company Secretary on +61 8 9316 9100

Alternatively, contact your stockbroker, accountant or other professional adviser.

Chairman's Letter

21 June 2021

Dear Shareholder,

On behalf of the Po Valley Energy Limited (**Po Valley**) Board, I am pleased to invite you to participate in a 1 for 2 pro-rata accelerated non-renounceable entitlement offer of New Shares at an offer price of \$0.028 per New Share (**Offer Price**), to raise approximately \$9,062,005 (**Entitlement Offer**).

On 18 June 2021, the Company announced a placement of 35.7million Shares at an issue price of \$0.028 (**Placement**) which, together with the Entitlement Issue, will raise approximately \$10.1 million.

Purpose of the Entitlement Offer

The funds raised will be used to fund development of Selva Malvezzi project (A\$2.2m) and related bond requirements (A\$1.5m), to retire existing debt and interest obligations (A\$5m), and for working capital and transaction costs (A\$1.4m).

The Directors are confident the Placement and Entitlement Offer, together, will accelerate near term gas production at Po Valley's Selva Malvezzi onshore gas project and will progress exploration of offshore gas assets. Importantly, this capital raising will strengthen Po Valley's balance sheet and accordingly grow shareholder value.

Further information about the Entitlement Offer is in Po Valley's market release and Investor Presentation lodged with the ASX and included in this Retail Offer Booklet in Section 6.

Details of the Entitlement Offer

The Entitlement Offer comprises an institutional component (the **Institutional Entitlement Offer**) and a retail component (the **Retail Entitlement Offer**). Po Valley successfully completed the Institutional Entitlement Offer on 18 June 2021, raising approximately \$6.5 million for Po Valley, which represents approximately 72% of total entitlements available under the Entitlement Offer. The Retail Entitlement Offer is expected to raise approximately \$2.56 million.

Under the Retail Entitlement Offer, Eligible Retail Shareholders are being offered the opportunity to subscribe for 1 New Share for every 2 existing Po Valley ordinary shares (**Shares**) held on the Record Date of 5:00pm (AEST) on Monday, 18 June 2021 (**Entitlements**). Eligible Retail Shareholders who take up their Entitlements in full may also apply to subscribe for Additional New Shares in excess of their Entitlements under the Retail Shortfall Offer set out in this Retail Offer Booklet.

The Offer Price of \$0.028 per New Share represents a 17.6% discount to the Company's last closing price of \$0.34 on 16 June 2021, being the last trading day before the Entitlement Offer was launched.

The Entitlement Offer is fully underwritten by the Underwriter. The Underwriter has entered into a sub-underwriting agreement in respect of the Entitlement Offer with various sub-underwriters, including with parties associated with certain Directors (the **Sub-underwriters**) such that the Sub-underwriters have agreed to sub-underwrite up to a maximum of \$6.67 million.

Please refer to section 3 for further details with respect to the Sub-underwriters and the Underwriter's arrangement with the Sub-underwriters. Details of the potential control effect of certain Sub-underwriting arrangements are set out in Section 3.

Other information

This offer booklet (**Retail Offer Booklet**) relates to the Retail Entitlement Offer and contains important information about the Retail Entitlement Offer and Po Valley's business under the following headings:

- Key dates for the Retail Entitlement Offer;
- Summary of options available to you;
- Actions required by you (including instructions on how to participate in the Retail Entitlement Offer if you choose to do so);
- ASX announcements (including the Investor Presentation, which provides information on Po Valley, including information relating to the purpose of the Entitlement Offer, and a summary of some of the key risks associated with an investment in Po Valley); and

- Additional information.

Accompanying this Retail Offer Booklet is your personalised Entitlement and Acceptance Form which contains details of your Entitlement. Your Entitlement may have value and it is important that you determine whether to take up or do nothing in respect of your Entitlement. If you choose to do nothing, your Entitlement will lapse, and you will receive no value for your Entitlement.

The Retail Entitlement Offer closes at 7:00pm (AEST) on Friday, 9 July 2021.

To participate, you need to ensure that you have completed your application by paying the Offer Price multiplied by the number of New Shares you are applying for (**Application Monies**) by BPAY®, or by lodging your personalised Entitlement and Acceptance Form with your Application Monies paid by cheque, bank draft or money order so that they are received before 7:00pm (AEST) on 9 July 2021 in the manner described in this Retail Offer Booklet. Eligible Retail Shareholders whose holdings are registered overseas may pay by direct bank transfer by following the instructions set out on the personalised Entitlement and Acceptance Form. Please note that your bank may apply fees or charges to any transfer and any conversion to Australian dollars from a foreign currency will impact the amount of Australian dollars received by Po Valley.

Please carefully read this Retail Offer Booklet in its entirety before you invest. In particular, you should read and consider the “Key Risks” section of the Investor Presentation included in Section 6 of this Retail Offer Booklet which contains a summary of some of the key risks associated with this Entitlement Offer, together with an investment in Po Valley.

Please consult your stockbroker, accountant or other professional adviser before making your investment decision.

If you have any questions in respect of the Entitlement Offer please call the Company on +61 8 9316 9100 between 8:30am and 5:30pm (AWST), Monday to Friday, if you have any questions.

The Directors presently intend to participate in the Entitlement Offer. Each of Kevin Bailey and myself have, through our associated entities, also agreed to sub-underwrite the Entitlement Offer to an aggregate sub-underwriting of approximately \$2.9 million. Please refer to Section 3.1 for further information with respect to this sub-underwriting by the Directors.

On behalf of the Board of Po Valley, I thank you for your continued support and encourage you to consider this investment opportunity.

Yours sincerely



Michael Masterman
Chairman

Section 1 Summary of options available to you

If you are an Eligible Retail Shareholder, you may take any one of the following actions:

- take up all of your Entitlement;
- take up all of your Entitlement and apply for additional New Shares under the Retail Shortfall Offer (see Section 2.6);
- take up some of your Entitlement and allow the balance to lapse; or
- do nothing, in which case your entire Entitlement will lapse, and you will receive no value for your lapsed Entitlement.

The Retail Entitlement Offer closes at 7:00pm (AEST) on 9 July 2021

Options available to you	Key considerations
A. Take up all of your Entitlement	<ul style="list-style-type: none"> • You may elect to purchase New Shares at the Offer Price and take up all of your Entitlement (see Section 2.4.1 for instructions on how to take up all of your Entitlement). • The New Shares will rank equally in all respects with existing Shares (including rights to dividends and distributions). • If you take up your Entitlement in full, you may also apply for additional New Shares at the Offer Price. Details of the Retail Shortfall Offer are set out in Section 2.6.
B. Take up part of your Entitlement	<ul style="list-style-type: none"> • If you do not take up your Entitlement in full, that portion of your Entitlement not taken up will lapse and you will not receive any payment or value for them (see Section 2.4.2 for details on taking up part of your Entitlement). • If you do not take up your Entitlements in full, your percentage holding in Po Valley will be diluted, and you may not apply for additional New Shares under the Retail Shortfall Offer.
C. Do nothing, in which case your Entitlements will lapse, and you will receive no payment or value for those lapsed Entitlements	<ul style="list-style-type: none"> • If you do not take up any of your Entitlements, you will not be allocated any New Shares and your Entitlements will lapse. Your Entitlements are non-renounceable, which means your Entitlements are non-transferrable and cannot be sold, traded on ASX or any other exchange, nor can they be privately transferred. You will not receive any payment or value for Entitlements not taken up. • Although you will continue to own the same number of Po Valley shares, your percentage holding in Po Valley will be substantially diluted.

If you are a retail shareholder that is not an Eligible Retail Shareholder, you are an Ineligible Retail Shareholder. Ineligible Retail Shareholders are not entitled to participate in the Retail Entitlement Offer.

Section 2 Actions required by you

2.1 Overview of the Entitlement Offer

Po Valley intends to raise approximately \$9,062,005 under the Entitlement Offer. As part of the Entitlement Offer, Eligible Retail Shareholders are being offered the opportunity to subscribe for one (1) New Share for every two (2) existing Shares held as at 5:00pm (AEST) on the Record Date, being 21 June 2021 (**Record Date**), at the Offer Price of \$0.028 per New Share.

The Entitlement Offer is comprised of:

- **Institutional Entitlement Offer** – eligible institutional shareholders have the opportunity to take up all or some of their Entitlements at the Offer Price of \$0.028 per New Share. Entitlements under the Institutional Entitlement Offer are non-renounceable and are not tradeable or otherwise transferable; and
- **Retail Entitlement Offer** – Eligible Retail Shareholders are being offered Entitlements under the Retail Entitlement Offer which can be taken up in whole or in part. Entitlements are non-renounceable and are not tradeable or otherwise transferable.
- **Retail Shortfall Offer** - Eligible Shareholders may also apply for any number of additional New Shares at the Issue Price under the Retail Shortfall Offer, such New Shares will be allocated in priority to any institutional investors in the Institutional Bookbuild.

The Entitlement Offer is fully underwritten. Henslow Pty Ltd has been appointed by Po Valley as the underwriter (the **Underwriter**).

You have a number of decisions to make in respect of your Entitlement. These decisions may materially affect the value (if any) that may be received in respect of your Entitlement. You should read this Retail Offer Booklet carefully before making any decisions in relation to your Entitlement.

Further details on the Retail Entitlement Offer are set out below.

2.2 The Retail Entitlement Offer

The Retail Entitlement Offer opens at 10:00am (AEST) on 24 June 2021, and will close at 7:00pm (AEST) on 9 July 2021.

The Retail Entitlement Offer is being made pursuant to section 708AA of the Corporations Act (as modified by *ASIC Corporations (Non-Traditional Rights Issues) Instrument 2016/84*), which allows rights issues to be offered without a prospectus, provided certain conditions are satisfied. This Retail Offer Booklet does not contain all of the information which may be required in order to make an informed decision regarding an application for New Shares offered under the Retail Entitlement Offer. As a result, it is important for you to read carefully and understand the information on Po Valley and the Retail Entitlement Offer made publicly available, including the information lodged by Po Valley with ASX as part of its continuous disclosure obligations, prior to deciding whether to take up all or some of your Entitlement or do nothing in respect of your Entitlement. In particular, please refer to this Retail Offer Booklet and other announcements Po Valley has made available at <http://www.asx.com.au> (including announcements which may be made by Po Valley after publication of this Retail Offer Booklet).

Please consult with your stockbroker, accountant or other professional adviser if you have any queries or are uncertain about any aspect of the Retail Entitlement Offer.

Eligible Retail Shareholders should be aware that an investment in Po Valley involves risks. The key risks identified by Po Valley are set out in the “Key Risks” section of the Investor Presentation (enclosed in Section 6 of this Retail Offer Booklet).

2.3 Your Entitlement

Your personal Entitlement is set out on the accompanying personalised Entitlement and Acceptance Form and has been calculated as one (1) New Share for every two (2) existing Shares you held as at the Record Date. If the result is not a whole number, your Entitlement has been rounded down to the nearest whole number of New Shares.

If you have more than one registered holding of Shares, you will be sent more than one personalised Entitlement and Acceptance Form and you will have a separate Entitlement for each separate holding.

New Shares issued under the Retail Entitlement Offer will be fully paid and from allotment rank equally in all respects with existing Shares and will be entitled to dividends/distributions on the same basis as existing Shares.

See Section 4.3 and the 'Important Notices' section for information on restrictions on participation in the Retail Entitlement Offer.

2.4 Options available to you

If you are an Eligible Retail Shareholder, you may take any of the following actions. Each of these options may have a materially different outcome on any value you receive in respect of your Entitlement:

- (a) take up your Entitlement in full (see Section 2.4.1); or
- (b) take up part of your Entitlement, in which case the balance of your Entitlement would lapse (see Section 2.4.2); or
- (c) do nothing, in which case your Entitlement will lapse and you will receive no payment or value for your lapsed Entitlement (see Section 2.4.3).

If you wish to take up your Entitlement in full, you may also subscribe for New Shares that are in excess of your Entitlement as part of the Retail Shortfall Offer (**Additional New Shares**) (see Section 2.6).

The Entitlements are non-renounceable and are not tradeable or otherwise transferable in any way. Shareholders who do not take up their Entitlement in full will not receive any payment or value for any part of their Entitlement they do not take up. Their percentage holding in Po Valley will be substantially diluted.

Po Valley reserves the right to reject any Entitlement and Acceptance Form that is not correctly completed or that is received after the Retail Entitlement Offer closes. The Retail Entitlement Offer closes at 7:00pm (AEST) on 9 July 2021 (however, that date may be varied by Po Valley, subject to the Corporations Act, the ASX Listing Rules and other applicable laws).

2.4.1 Taking up all of your Entitlement

If you wish to take up all of your Entitlement, please either:

- complete and return the personalised Entitlement and Acceptance Form with the requisite Application Monies; or
- pay your Application Monies via BPAY® by following the instructions set out on the personalised Entitlement and Acceptance Form; or
- for Eligible Retail Shareholders whose holdings are registered overseas, pay your Application Monies via Electronic Funds Transfer (**EFT**) by following the instructions set out on the personalised Entitlement and Acceptance Form. Please note that your bank may apply fees or charges to any transfer and any conversion to Australian dollars from a foreign currency will impact the amount of Australian dollars received by Po Valley,

in each case, by no later than 7:00pm (AEST) on 9 July 2021.

The net Australian dollar funds received by Po Valley will be considered as an Application for as many New Shares as your Application Monies will pay for in full at the Offer Price

If you take up and pay for all or some of your Entitlement before the close of the Retail Entitlement Offer, it is expected that you will be issued New Shares on 15 July 2021.

2.4.2 Take up part of your Entitlement and allow the balance to lapse

If you wish to take up only some of your Entitlement, please either:

- complete and return the personalised Entitlement and Acceptance Form with the requisite Application Monies; or
- pay your Application Monies via BPAY® by following the instructions set out on the personalised Entitlement and Acceptance Form; or
- for Eligible Retail Shareholders whose holdings are registered overseas, pay your Application Monies via EFT by following the instructions set out on the personalised Entitlement and Acceptance Form. Please note that your bank may apply fees or charges to any transfer and any conversion to Australian dollars from a foreign currency will impact the amount of Australian dollars received by Po Valley,

in each case, by no later than 7:00pm (AEST) on 9 July 2021. The net Australian dollar funds received by Po Valley will be considered as an Application for as many New Shares as your Application Monies will pay for in full at the Offer Price

If Po Valley receives an amount that is less than the Offer Price multiplied by your Entitlement, your payment may be treated as an Application for as many New Shares as your Application Monies will pay for in full at the Offer Price.

2.4.3 Allowing your Entitlement to lapse

If you take no action, you will not be allocated any New Shares and your Entitlement will lapse.

2.5 Consequences of not taking up all or part of your Entitlement

If you do not take up all or part of your Entitlement in accordance with the instructions set out above, those New Shares representing your Entitlement (or the part of your Entitlement not taken up) will form part of the Retail Shortfall Offer or may be acquired by the Underwriter.

By allowing all or part of your Entitlement to lapse, you will forgo any exposure to increases or decreases in the value of the New Shares representing that part of your Entitlement not taken up and will not receive any value for that part of your Entitlement. Your interest in Po Valley will also be diluted.

2.6 Taking up more than your Entitlement

In addition to taking up your Entitlement in full, you may apply for Additional New Shares under a 'top up' facility whereby Po Valley is offering Additional New Shares to those Eligible Retail Shareholders who take up their Entitlements in full (**Retail Shortfall Offer**).

Additional New Shares will only be available where there is a shortfall between the Entitlements being offered to Eligible Retail Shareholders under the Retail Entitlement Offer and the Entitlements taken up by Eligible Retail Shareholders (the **Shortfall**). In the event there is a Shortfall, the Shortfall will be offered to Eligible Retail Shareholders pursuant to the Retail Shortfall Offer.

The terms on which you may apply for Additional New Shares are as follows.

- If you take up all of your Entitlement, you are entitled to subscribe for Additional New Shares in excess of your Entitlement under the Retail Shortfall Offer.
- The offer of Additional New Shares opens at the same date and time as the Retail Entitlement Offer and will close at the same date and time as the Retail Entitlement Offer.
- Additional New Shares will be offered at the same Offer Price for each New Share.
- There is no maximum number of Additional New Shares for which you may subscribe. However, the maximum number of Additional New Shares that may be allotted to investors under the Shortfall will be equal to the number of New Shares comprising the Shortfall (subject to the Board's discretion).
- If the number of New Shares comprising the Shortfall is equal to or greater than the total number of Additional New Shares subscribed for, you will be allotted the number of Additional New Shares that you applied for (subject to the Board's discretion).
- If the number of New Shares comprising the Shortfall is less than the total number of Additional New Shares subscribed for, the number of Additional New Shares you will be allocated will be scaled back on a pro rata basis.

All decisions regarding the allocation of Additional New Shares and application of any scale-back will be made by the Board of Po Valley (in conjunction with the Underwriter) and will be final and binding on all Eligible Retail Shareholders. The Board expects that the discretion not to issue Additional New Shares would only be exercised in exceptional circumstances.

The Board of Po Valley reserves the right to issue any Additional New Shares which comprise the Shortfall in their discretion (in conjunction with the Underwriter). Therefore, a subscription for Additional New Shares may not be successful (in whole or part), in which case excess Application Monies will be refunded without interest. The decision of the Board of Po Valley on the number of Additional New Shares to be allocated will be final, other than to parties acting as sub-underwriters as disclosed in this Retail Offer Booklet.

The Board of Po Valley will not in any event issue any Additional New Shares to any person if the issue may result in the person's voting power in Po Valley increasing to 20% or more.

Shareholders are encouraged to register their bank account details with the Share Registry in order to enable a faster refund. Overseas shareholders in New Zealand are able to register a New Zealand dollar bank account and receive any refund in New Zealand dollars.

2.7 Payment

You can pay in the following ways:

- by BPAY®; or
- by cheque, bank draft, or money order; or
- for Eligible Retail Shareholders whose holdings are registered overseas, by direct bank transfer by following the instructions set out on the personalised Entitlement and Acceptance Form. Please note that your bank

may apply fees or charges to any transfer and any conversion to Australian dollars from a foreign currency will impact the amount of Australian dollars received by Po Valley.

Cash payments will not be accepted. Receipts for payment will not be issued. Po Valley will treat you as applying for as many New Shares as your payment will pay for in full at the Offer Price.

Any Application Monies received for more than your final allocation of New Shares will be refunded as soon as practicable after the close of the Retail Entitlement Offer. No interest will be paid to applicants on any Application Monies received or refunded.

2.7.1 Payment by BPAY®

For payment by BPAY®, please follow the instructions on the personalised Entitlement and Acceptance Form. You can only make payment via BPAY® if you are the holder of an account with an Australian financial institution that supports BPAY® transactions.

If you are paying by BPAY®, please make sure you use the specific Biller Code and your unique Customer Reference Number (**CRN**) on your personalised Entitlement and Acceptance Form. If you have multiple holdings and consequently receive more than one personalised Entitlement and Acceptance Form, when taking up your Entitlement in respect of one of those holdings only, use the CRN specific to that holding. If you do not use the correct CRN specific to that holding your application will not be recognised as valid.

Please note that should you choose to pay by BPAY®:

- you do not need to submit your personalised Entitlement and Acceptance Form but are taken to make the declarations, representations and warranties on that personalised Entitlement and Acceptance Form and in Section 2.8; and
- if you do not pay for your full Entitlement, you are deemed to have taken up your Entitlement in respect of such whole number of New Shares as is covered in full by your Application Monies.

It is your responsibility to ensure that your BPAY® payment is received by the Share Registry by no later than 7:00pm (AEST) on 9 July 2021. You should be aware that your financial institution may implement earlier cut-off times with regard to electronic payment, and you should take this into consideration in the timing of when you make payment.

2.7.2 Payment by cheque, bank draft or money order

For payment by cheque, bank draft or money order, you should complete your personalised Entitlement and Acceptance Form in accordance with the instructions on the form and return it accompanied by a cheque, bank draft or money order in Australian currency for the amount of the Application Monies, payable to **“Po Valley Energy Limited Entitlement Offer”** and crossed **“Not Negotiable”**.

Your cheque, bank draft or money order must be:

- for an amount equal to the full Application Monies (being \$0.028 multiplied by the number of New Shares that you are applying for); and
- in Australian currency drawn on an Australian branch of a financial institution. Payment cannot be made in any other currency. Overseas resident shareholders must arrange for payment to be made in Australian dollars.

If payment is made by cheque, you should ensure that sufficient funds are held in relevant account(s) to cover the Application Monies as your cheque will be processed on the day of receipt. If the amount of your cheque, bank draft or money order for Application Monies (or the amount for which a cheque clears in time for allocation) is insufficient to pay in full for the number of New Shares you have applied for in your personalised Entitlement and Acceptance Form, you will be taken to have applied for such lower whole number of New Shares as your cleared Application Monies will pay for (and to have specified that number of New Shares on your personalised Entitlement and Acceptance Form) and to have made the representations and warranties in Section 2.8. Alternatively, your application will not be accepted.

Please return your completed personalised Entitlement and Acceptance Form together with Application Monies to:

Mailing address:

Po Valley Energy Ltd
C/- Link Market Services Limited
GPO Box 3560
Sydney NSW 2001

Personalised Entitlement and Acceptance Forms and Application Monies will not be accepted at Po Valley's registered or corporate offices or other offices of the Share Registry.

2.7.3 Payment by Electronic Funds Transfer (EFT) – OVERSEAS HOLDERS ONLY

Eligible Retail Shareholders whose holdings are registered overseas may pay by EFT. For payment by EFT, please follow the instructions on the personalised Entitlement and Acceptance Form.

If you are paying by EFT, please ensure you include your unique Entitlement Number on your personalised Entitlement and Acceptance Form as the payment reference on the transfer. If you have multiple holdings and consequently receive more than one personalised Entitlement and Acceptance Form, when taking up your Entitlement in respect of one of those holdings only, use the Entitlement Number specific to that holding. If you do not use the correct Entitlement Number specific to that holding your application will not be recognised as valid.

Please note that should you choose to pay by EFT:

- you do not need to submit your personalised Entitlement and Acceptance Form but are taken to make the declarations, representations and warranties on that personalised Entitlement and Acceptance Form and in Section 2.8; and
- if you do not pay for your full Entitlement, you are deemed to have taken up your Entitlement in respect of such whole number of New Shares as is covered in full by your Application Monies.

It is your responsibility to ensure that your EFT payment is received by the Company by no later than 7:00pm (AEST) on 9 July 2021. You should be aware that your financial institution may implement earlier cut-off times with regard to electronic payment, and you should take this into consideration in the timing of when you make payment.

By following the instructions set out on the personalised Entitlement and Acceptance Form. Please note that your bank may apply fees or charges to any transfer and any conversion to Australian dollars from a foreign currency will impact the amount of Australian dollars received by Po Valley.

2.8 Representations by acceptance

A payment made through BPAY®, EFT (overseas holders) or a completed and lodged Entitlement and Acceptance Form together with the payment of requisite Application Monies constitutes a binding offer to acquire New Shares on the terms and conditions set out in this Retail Offer Booklet and, once lodged or paid, cannot be withdrawn. If the Entitlement and Acceptance Form is not completed correctly, it may still be treated as a valid Application for New Shares. Po Valley's decision as to whether to treat an acceptance as valid and how to construe, amend or complete the Entitlement and Acceptance Form is final.

By completing and returning your personalised Entitlement and Acceptance Form with the requisite Application Monies or making a payment by BPAY®, EFT (overseas holders) or otherwise applying to participate, you will be deemed to have represented and warranted to Po Valley on behalf of yourself and each person on whose account you are acting that you are an Eligible Retail Shareholder and you:

- acknowledge that you have received, read and understand this Retail Offer Booklet and your personalised Entitlement and Acceptance Form in their entirety;
- agree to be bound by the terms of the Retail Entitlement Offer, the provisions of this Retail Offer Booklet, and Po Valley's constitution;
- authorise Po Valley to register you as the holder of any New Shares allotted to you;
- declare that all details and statements in the personalised Entitlement and Acceptance Form are complete, accurate and up to date;
- declare you are over 18 years of age and have full legal capacity and power to perform all of your rights and obligations under the personalised Entitlement and Acceptance Form;
- acknowledge that there is no cooling off period under the Retail Entitlement Offer and that once Po Valley receives your personalised Entitlement and Acceptance Form or any payment of Application Monies via BPAY® or EFT (overseas holders), you may not withdraw your application or funds provided except as allowed by law;
- agree to apply for and be issued up to the number of New Shares specified in the personalised Entitlement and Acceptance Form, or for which you have submitted payment of any Application Monies via BPAY® or EFT (overseas holders) at the Offer Price per New Share;

- authorise Po Valley, the Underwriter, the Share Registry and their respective officers or agents to do anything on your behalf necessary for New Shares to be issued to you, including to act on instructions of the Share Registry upon using the contact details set out in your personalised Entitlement and Acceptance Form;
- acknowledge and agree that:
 - determination of eligibility of investors for the purposes of the institutional or retail components of the Entitlement Offer is determined by reference to a number of matters, including legal and regulatory requirements, logistical and registry constraints and the discretion of Po Valley and/or the Underwriter; and
 - each of Po Valley and the Underwriter, and each of their respective affiliates, disclaim any duty or liability (including for negligence) in respect of that determination and the exercise or otherwise of that discretion, to the maximum extent permitted by law;
- declare that you were the registered holder(s) at the Record Date of the Shares indicated on the personalised Entitlement and Acceptance Form as being held by you on the Record Date;
- acknowledge that the information contained in this Retail Offer Booklet and your personalised Entitlement and Acceptance Form is not investment advice nor a recommendation that New Shares are suitable for you given your investment objectives, financial situation or particular needs;
- acknowledge that this Retail Offer Booklet is not a prospectus, does not contain all of the information that you may require in order to assess an investment in Po Valley and is given in the context of Po Valley's past and ongoing continuous disclosure announcements to ASX;
- acknowledge the statement of risks in the "Key Risks" section of the Investor Presentation contained in Section 6 of this Retail Offer Booklet, and that investments in Po Valley are subject to risk;
- acknowledge that none of Po Valley, the Underwriter, or their respective related bodies corporate and affiliates and their respective directors, contractors, partners, officers, partners, employees, representatives, agents, consultants or advisers, guarantees the performance of the New Shares or the performance of Po Valley, nor do they guarantee the repayment of capital from Po Valley;
- agree to provide (and direct your nominee or custodian to provide) any requested substantiation of your eligibility to participate in the Retail Entitlement Offer and of your holding of Shares on the Record Date;
- authorise Po Valley to correct any errors in your personalised Entitlement and Acceptance Form or other form provided by you;
- represent and warrant (for the benefit of Po Valley, the Underwriter, and their related bodies corporate and affiliates) that you did not participate in the Institutional Entitlement Offer either directly or through a nominee, are not an Ineligible Retail Shareholder and are otherwise eligible to participate in the Retail Entitlement Offer;
- represent and warrant that the law of any place does not prohibit you from being given access to this Retail Offer Booklet and the personalised Entitlement and Acceptance Form, nor does it prohibit you from making an application for New Shares and that you are otherwise eligible to participate in the Retail Entitlement Offer;
- represent and warrant that (i) if you are in the United States, you are resident in the states of Florida or California and you have executed and delivered to the Company the US Investor Certificate or (ii) you are not in the United States and not a custodian or nominee acting for the account or benefit of a person in the United States;
- understand and acknowledge that the New Shares have not been, and will not be, registered under the US Securities Act or the securities laws of any state or other jurisdiction in the United States. Accordingly, you understand and acknowledge that the New Shares may not be offered or sold in the United States except to existing shareholders of the Company in transactions exempt from the registration requirements of the US Securities Act and applicable US state securities laws;
- have not and will not send this Retail Offer Booklet, the personalised Entitlement and Acceptance Form or any other materials relating to the Retail Entitlement Offer to any person in the United States or any other country outside Australia and New Zealand;
- if you are acting as a nominee or custodian, each beneficial holder on whose behalf you are submitting the personalised Entitlement and Acceptance Form is (i) resident in Australia, New Zealand or Canada (Alberta) and (ii) not in the United States; and
- make all other representations and warranties set out in this Retail Offer Booklet.

2.9 Enquiries

If you have not received or you have lost your personalised Entitlement and Acceptance Form, or have any questions regarding the Entitlement Offer, please contact the Company Secretary on +61 8 9316 9100 between 8:30am to 5:30pm (Perth time), Monday to Friday. Alternatively, you can access information about the Retail Entitlement Offer online at <https://www.asx.com.au>. If you have any further questions, you should contact your stockbroker, accountant or other professional adviser.

Neither this Retail Offer Booklet, the Investor Presentation, nor the accompanying Entitlement and Acceptance Form may be distributed to, or relied upon by, persons in the United States or persons that are acting for the account or benefit of a person in the United States (to the extent such persons are acting for the account or benefit of a person in the United States), except that the Company may send the Retail Offer Booklet to Eligible Retail Shareholders in the United States.

Section 3 Effect on Control of the Company

3.1 Potential Control Effect of the Placement and Entitlement Offer

The potential effect the Placement and Entitlement Offer will have on the control of Po Valley, and the consequences of that effect will depend on a number of factors including the number of New Shares taken up by Eligible Shareholders (including Top-up Shares under the uncapped top up facility available under the Retail Entitlement Offer) and the number of Entitlements placed to institutional and/or sophisticated investors under the Institutional Bookbuild.

The Entitlement Offer is fully underwritten by the Underwriter. The Underwriter has entered into a sub-underwriting agreement with various Sub-underwriters in respect of the Entitlement Offer (the **Sub-underwriters**). The arrangement between the Underwriter and the Sub-underwriters is that the Sub-underwriters have agreed to sub-underwrite up to a maximum of \$6.67 million.

The Underwriter is not presently a shareholder of the Company and is not a related party of the Company for the purpose of the Corporations Act.

The potential control effect of the sub-underwriting of the Entitlement Offer by parties associated with Directors and significant shareholders is set out in the table below. Also set out below are the various strategies that the Company has implemented to reduce the potential control effect.

<i>Related Party / Significant holder Sub-underwriter</i>	<i>Current Voting power</i>	<i>Sub-Underwriting and Commitment</i>	<i>Maximum Voting power</i>
Michael Masterman^{1, 3}	167,971,782 25.95%	50,042,733	218,014,515 21.66%
Kevin Bailey^{2, 3}	150,635,225 23.27%	100,317,613	250,952,838 24.9%
Beronia Investments Pty Ltd³	61,784,178 9.55%	67,687,439	129,471,617 12.9%
Supervised Investments Pty Ltd³	45,450,899 7%	6,168,298	51,619,197 5.1%

Notes:

1. Michael Masterman interests are currently held as follows:

- a) Direct interest: 89,525,732 Shares
- b) Indirect interest 78,446,050 Shares held by Symmall Pty Ltd <Masterman Superfund>

Symmall Pty Ltd has agreed to subscribe for up to 50,042,733 New Shares (\$1,401,197). This commitment is to be satisfied via loan and interest conversion of \$731,196 and \$367,048 in cash. Michael Masterman (in his personal capacity) has agreed to subscribe for 10,819,708 New Shares (\$302,952).

2. Kevin Bailey interests are currently held as follows:

- a) Direct Interest:
 - 8,000,000 Shares held by Kevin Bailey
 - 79,002,181 Shares held by Kevin Bailey & Grace Bailey atf The Bailey Family Trust <The Bailey Family ac>
 - 4,200,000 Shares held by Kevin Bailey & Wayne Dodd <Kevin Bailey Charity ac>
- b) Indirect Interest:
 - 30,799,806 Shares held by Quo Vadis Pty Ltd <Veritas Superfund>
 - 28,633,238 Shares held by Fuiloro Pty Ltd <Bailey Superfund ac>

Kevin Bailey & Grace Bailey ATF the Bailey Family trust have agreed to subscribe for up to 100,317,613 New Shares (\$2,808,893). This commitment is to be satisfied via loan and interest conversion \$1,496,751 and \$1,312,142 in cash.

3. No sub-underwriting fees are payable by the Company to these entities. The Company has agreed with the Underwriter that no sub-underwriting fees are payable to any Sub-underwriter which is either a Director-related entity or an existing major shareholder of the Company.

Other than as disclosed, no New Shares will be issued under the Entitlement Offer (including via the Institutional Bookbuild or via the top-up facility) if the issue of New Shares would contravene the Corporations Act. Similarly, no New Shares will be issued via the Institutional Bookbuild or via the top-up facility to any related parties of the Company.

Any Entitlement not taken up pursuant to the Institutional Entitlement Offer, along with all Entitlements of Ineligible Shareholders will form the Institutional Bookbuild. To the extent that these Entitlements are not then placed via the Institutional Bookbuild, they will be allocated to the Underwriter as underwriter and to the Sub-underwriters as sub-underwriters.

Any Entitlement not taken up pursuant to the Retail Entitlement Offer and the Top-up Facility will be allocated to the Underwriter as underwriter and to the Sub-underwriters as sub-underwriters.

3.2 Dilution and additional commentary

Some further commentary about the effect of the Offer on control of the Company is as follows:

- (a) if all Eligible Shareholders take up their full Entitlement under the Entitlement Offer, then the Entitlement Offer will have no significant effect on the control of the Company;
- (b) the proportional interests of shareholders who are not Eligible Shareholders will be diluted because such shareholders are not entitled to participate in the Entitlement Offer;
- (c) Shareholders should note that if they do not participate in the Entitlement Offer, their holdings are likely to be diluted by approximately 33%;
- (d) The Board has actively taken steps to minimise the control effect of the Entitlement Offer by encouraging institutional and sophisticated investors to take further shares in the Institutional Bookbuild and has encouraged Eligible Shareholders to take up Top-up Shares

Section 4 Additional information

4.1 Use of Funds

The Company intends that the funds raised from the Placement and Entitlement Offer will be used to fund development of Selva Malvezzi project (A\$2.2m) and related bond requirements (A\$1.5m), to retire existing debt and interest obligations (A\$5m), and for working capital and transaction costs (A\$1.4m).

Further information about the Entitlement Offer is in Po Valley's market release and Investor Presentation lodged with the ASX and included in this Retail Offer Booklet in Section 6.

Specifically, the Company intends to use the funds raised from the Placement and Entitlement Offer as follows:

	AUD \$million
Development of Selva Malvezzi	2.4
Security bond for development of Selva Malvezzi	1.6
Repayment of shareholder loans / debt through conversions	4.4
Repayment of convertible notes	0.6
Working capital and Transaction costs	1.1

The above table is a statement of current intentions as of the date of this Retail Offer Booklet. As with any budget, intervening events and new circumstances have the potential to affect the ultimate way funds will be applied. The Board reserves the right to alter the way funds are applied on this basis.

Actual expenditure may differ significantly from the above estimates due to a change in market conditions, the development of new opportunities and other factors (including the risk factors outlined in the Investor Presentation).

The Board believes that the funds raised from the Offer, combined with existing funds, provide the Company with sufficient working capital to progress its business objectives.

4.2 Capital structure of Po Valley

The capital structure on completion of the Entitlement Offer is expected to be as follows:

Shares currently on issue	647,286,103
Placement as announced on 18 June 2021	35,714,286
Total shares on issue post-placement	683,000,389
New Shares offered under the Entitlement Offer (includes Institutional and Retail)	323,643,052
Total Shares on issue on completion of the Entitlement Offer	1,006,643,441

4.3 Eligible Retail Shareholders

This Retail Offer Booklet is being offered to Eligible Retail Shareholders only.

Eligible Retail Shareholders are persons at 5:00pm (AEST) on the Record Date who:

- are registered as a holder of Shares;
- have a registered address on the Po Valley share register in Australia, New Zealand, the United Kingdom, , Canada (Alberta), the European Union (Italy, Netherlands) and the United States (in the states of Florida and California);
- did not participate (other than as nominee, in respect of other underlying holdings) under the Institutional Entitlement Offer, and were not treated as ineligible institutional shareholders under the Institutional Entitlement Offer; and
- are eligible under all applicable securities laws to receive an offer under the Retail Entitlement Offer.

Retail shareholders who are not Eligible Retail Shareholders (if any) are ineligible retail shareholders (**Ineligible Retail Shareholders**). Po Valley reserves the right to determine whether a retail shareholder is an Eligible Retail Shareholder or an Ineligible Retail Shareholder.

By returning a completed personalised Entitlement and Acceptance Form or making a payment by BPAY® or EFT (overseas holders), you will be taken to have represented and warranted that you satisfy each of the criteria listed above to be an Eligible Retail Shareholder. Nominees, trustees or custodians are therefore advised to seek independent professional advice as to how to proceed.

Po Valley may (in its absolute discretion) extend the Retail Entitlement Offer to any institutional shareholder that was eligible to participate in the Institutional Entitlement Offer but was not invited to participate in the Institutional Entitlement Offer (subject to compliance with relevant laws).

Po Valley may (in its absolute discretion) extend the Retail Entitlement Offer to shareholders who have registered addresses outside Australia, New Zealand, the United Kingdom, Canada (Alberta), the European Union (Italy, Netherlands) and the United States (in the states of Florida and California) in accordance with applicable law.

4.4 Ranking of New Shares

New Shares issued under the Retail Entitlement Offer will be fully paid and from allotment rank equally in all respects with existing Shares and will be entitled to dividends/distributions on the same basis as existing Shares. The rights and liabilities attaching to the New Shares are set out in Po Valley's constitution, a copy of which is available upon request to Po Valley.

4.5 Reconciliation

The Entitlement Offer is a complex process and in some instances, investors may believe that they owned more Shares than they ultimately were recorded as holding as at the Record Date or are otherwise entitled to more New Shares than initially offered to them. This may result in a need for reconciliation to ensure all Eligible Retail Shareholders have the opportunity to receive their full Entitlement.

Po Valley may need to issue a small quantity of additional New Shares to ensure all Eligible Retail Shareholders have the opportunity to receive their appropriate allocation of New Shares. The price at which these New Shares would be issued, if required, is the same as the Offer Price.

Po Valley also reserves the right to reduce the size of Entitlements or the number of New Shares allocated to Eligible Retail Shareholders, or persons claiming to be Eligible Retail Shareholders or other applicable investors, if Po Valley believes in its absolute discretion that their claims are overstated or if they or their nominees fail to provide information requested to substantiate their claims, or if they are not Eligible Retail Shareholders.

4.6 Rounding of Entitlements

Where fractions arise in the calculation of Entitlements, they have been rounded down to the nearest whole number of New Shares.

4.7 Notice to nominees and custodians

The Retail Entitlement Offer is being made to all Eligible Retail Shareholders. Nominees with registered addresses in eligible jurisdictions, irrespective of whether they participate under the Institutional Entitlement Offer, may be able to participate in the Retail Entitlement Offer in respect of some or all of the beneficiaries on whose behalf they hold existing Shares, provided that the applicable beneficiary would satisfy the criteria for an Eligible Retail Shareholder.

If Po Valley believes you hold Shares as a nominee or custodian you will have received, or will shortly receive, a letter in respect of the Entitlement Offer. Nominees and custodians should consider carefully the contents of that letter and note in particular that the Retail Entitlement Offer is not available to, and they must not purport to accept the Retail Entitlement Offer in respect of:

- beneficiaries on whose behalf they hold existing Shares who would not satisfy the criteria for being an Eligible Retail Shareholder;
- eligible institutional shareholders who participated in the Institutional Entitlement Offer (whether they accepted their Entitlements or not) and institutional shareholders who were treated as ineligible institutional shareholders under the Institutional Entitlement Offer; or
- Shareholders who are not eligible under all applicable securities laws to receive an offer under the Retail Entitlement Offer.

Nominees and custodians may not distribute this Retail Offer Booklet, and may not permit any beneficial shareholder to participate in the Retail Entitlement Offer, in any country outside Australia, New Zealand and Canada (Alberta)

province only) except, with the consent of the Company, to beneficial shareholders resident in certain other countries where the Company may determine it is lawful and practical to make the Offer. In particular, persons acting as nominees or custodians for other persons must not take up any Entitlements on behalf of, or send any documents related to the Retail Entitlement Offer to, any person in the United States or any person in the European Union (Italy, Netherlands) or the United Kingdom. Persons in the United States and persons acting for the account or benefit of persons in the United States (to the extent such persons hold Shares and are acting for the account or benefit of a person in the United States) will not be able to exercise any Entitlements and may receive no payment or value for them.

Po Valley is not required to determine whether or not any registered holder or investor is acting as a nominee or custodian or the identity or residence of any beneficial owners of existing Shares or Entitlements.

4.8 Issue, quotation and trading

Po Valley will apply to ASX for official quotation of the New Shares, in accordance with ASX Listing Rules requirements. If ASX does not grant such quotation of the New Shares, Po Valley will repay all Application Monies (without interest).

Subject to approval being granted, it is expected that normal trading of New Shares allotted under the Retail Entitlement Offer will commence at 10:00am (AEST) on 16 July 2021. It is expected that issue of the New Shares under the Retail Entitlement Offer will take place on 15 July 2021. Application Monies will be held by Po Valley on trust for applicants until the New Shares are allotted. No interest will be paid on Application Monies.

It is the responsibility of applicants to determine the number of New Shares issued to them prior to trading in such shares. The sale by an applicant of New Shares prior to receiving their holding statement is at the applicant's own risk.

4.9 Continuous disclosure

Po Valley is a 'disclosing entity' under the Corporations Act and is subject to regular reporting and disclosure obligations under the Corporations Act and the ASX Listing Rules, including the preparation of annual reports and half yearly reports. Po Valley is required to notify the ASX of information about specific events and matters as they arise for the purposes of the ASX making that information available to the stock markets conducted by the ASX. In particular, Po Valley has an obligation under the ASX Listing Rules (subject to certain exceptions) to notify the ASX immediately of any information of which it is or becomes aware which a reasonable person would expect to have a material effect on the price or value of its securities. That information is available to the public from the ASX and can be accessed at www.asx.com.au.

Some documents are required to be lodged with ASIC in relation to Po Valley. These documents may be obtained from, or inspected at, an ASIC office.

4.10 Underwriting arrangements

The Company and the Underwriter entered into an Underwriting Agreement whereby the Underwriter agreed to fully underwrite, lead manage and act as bookrunner of the Entitlement Offer.

The Underwriting Agreement is subject to customary conditions precedent. Outstanding conditions precedent to the underwriting include the Company receiving and maintaining valid Debt Conversion Commitment Letters with respect to the Company's existing debt being retired, the Company providing the relevant certificates and sign-offs, no regulatory intervention, and ASX not indicating it will grant permission for the official quotation of the Retail Entitlement Shares on or before 10:00am (AEST) on settlement of the Retail Entitlement Offer.

The Underwriter may at any time, at the Underwriter's cost, appoint sub-underwriters to sub-underwrite the Entitlement Offer and nominate the allottees of some or all of the Shortfall (if any).

The Underwriter is solely responsible for any sub-underwriting fees due to any sub-underwriters appointed by them under the Underwriting Agreement (including directors of the Company who act as sub-underwriter). To put this another way, no sub-underwriter will be paid any fees by the Company and the fees payable by the Company to the Underwriter will not increase as a consequence of the appointment of any sub-underwriter by the Underwriter.

The fees payable to the Underwriter are as follows. Each of the following are payable by the Company to the Underwriter as follows:

- an underwriting fee of \$200,000 (no GST payable);
- a management fee of 3% of any sub-underwriting commitment which the Underwriter introduces to the Company via the Placement and the Entitlement Offer (no GST payable); and
- the issue to the Underwriter of 5,000,000 unquoted options exercisable at \$0.05 each on or before the date that is two (2) years from their issue.

The Underwriter is also entitled to payment of agreed legal fees, and reasonable out of pocket expenses.

The Underwriting Agreement contains customary termination rights, including as to market fall, material adverse change, and adverse changes or hostilities in specified financial markets and jurisdictions.

The Underwriting Agreement otherwise contains customary terms, including indemnities by the Company, representations and warranties by the Company and the Underwriter.

4.11 Withdrawal of the Entitlement Offer

Po Valley reserves the right to withdraw or vary all or part of the Entitlement Offer and this information at any time, subject to applicable laws, in which case Po Valley will refund Application Monies in relation to Entitlements and New Shares not already issued in accordance with the Corporations Act and without payment of interest. In circumstances where allotment under the Institutional Entitlement Offer has occurred, Po Valley may only be able to withdraw the Entitlement Offer with respect to New Shares to be issued under the Retail Entitlement Offer.

To the fullest extent permitted by law, you agree that any Application Monies paid by you to Po Valley will not entitle you to receive any interest and that any interest earned in respect of Application Monies will belong to Po Valley.

Section 5 Glossary

Terms	Definitions
A\$	Australian dollars or cents.
Additional New Shares	New Shares subscribed to in excess of the Entitlement.
Application	Arrangement for payment of the relevant Application Monies through BPAY® in accordance with the instructions on the Entitlement and Acceptance Form or the submission of an Entitlement and Acceptance Form accompanied by the relevant Application Monies.
Application Monies	Offer Price multiplied by the number of New Shares applied for by BPAY®, or in a duly completed Entitlement and Acceptance Form.
ASIC	Australian Securities and Investments Commission.
ASX	Australian Securities Exchange.
ASX Announcements	As included in Section 6.
ASX Listing Rules	Rules governing the admission of entities to the official list, quotation of securities, suspension of securities from quotation and removal of entities from the official list. They also govern disclosure and some aspects of a listed entities conduct.
ATO	Australian Tax Office.
BPAY®	BPAY Pty Ltd (ACN 079 137 518).
CGT	Capital gains tax.
Company	Po Valley Energy Limited (ACN 087 741 571).
Corporations Act	Corporations Act 2001 (Cth).
Director	A director of the Company.
EFT	Electronic Funds Transfer
Eligible Retail Shareholder	As defined in Section 5.4.
Entitlement	The right to participate in a 1 for 2 pro-rata accelerated non-renounceable entitlement offer of new Po Valley ordinary shares, pursuant to the Entitlement Offer.
Entitlement and Acceptance Form	Form accompanying the Retail Offer Booklet.
Entitlement Number	Unique identifying number for each shareholding (also the payment reference number for Electronic Funds transfer (EFT) payments)
Entitlement Offer	Institutional Entitlement Offer and the Retail Entitlement Offer.
GST	Goods and Services Tax.
Ineligible Retail Shareholders	Retail shareholders who are not Eligible Retail Shareholders.
Institutional Entitlement Offer	Pro-rata accelerated non-renounceable entitlement offer to eligible institutional shareholders.
Investor Presentation	As included in Section 6.
Key Dates	As displayed in Key dates for the Retail Entitlement Offer section.
Key Risks	As included in the Investor Presentation.
New Shares	Shares to be allocated and issued under the Entitlement Offer.

Offer Price	\$0.028 per New Share.
Po Valley	Po Valley Energy Limited (ACN 087 741 571)
Record Date	5:00pm (AEST) on 21 June 2021
Retail Entitlement Offer	Pro-rata accelerated non-renounceable entitlement offer to Eligible Retail Shareholders to subscribe for one (1) New Share for every two (2) Shares held on the Record Date.
Retail Offer Booklet	This Booklet containing important information about the Retail Entitlement Offer and Po Valley's business.
Retail Shortfall Offer	The offer of Shortfall to Eligible Retail Shareholders as set out in Section 2.6.
Shares	A fully paid ordinary share in the capital of Po Valley.
Share Registry	Link Market Services Limited (ACN 083 214 537).
Shortfall	The difference between the Entitlements being offered to Eligible Retail Shareholders under the Retail Entitlement Offer and the Entitlements take up by Eligible Retail Shareholders.
Subscription	Subscription of New Shares by Eligible Retail Shareholders.
TFN	Tax File Number.
Underwriter	Henslow Pty Ltd (ACN 605 393 137), an Australian financial services licensee with licence number 483 168.
US Investor Certificate	US investor certificate sent by the Company to Eligible Retail Shareholders in the United States which provides for customary US securities law representations and warranties.
US Securities Act	US Securities Act of 1933.

Section 6 ASX Announcement and Po Valley Investor Presentation



ABN 33 087 741 571

18 June 2021

ASX Announcement

Not for release to US wire services or distribution in the United States

Po Valley Energy Limited launches A\$10.1 million Equity Capital Raising

Po Valley Energy Limited (PVE.ASX) ("**Po Valley Energy**", the "**Company**") is seeking to raise approximately A\$10.1 million in new equity to fund development of the Selva Malvezzi project, to retire existing shareholder loans, interest on loans and convertible notes, repayment of convertible notes and working capital requirements.

The equity capital raising will be undertaken through a placement (**Placement**) at \$0.028 per share to raise approximately A\$1 million and a fully underwritten 1 for 2 pro rata accelerated non-renounceable entitlement offer (**Entitlement Offer**) at \$0.028 per share to raise approximately A\$9.1 million (collectively, the Equity Capital Raising).

Highlights

- \$1m Placement at \$0.028 per share
- 1 for 2 accelerated non-renounceable pro rata entitlement offer at \$0.028 per share, to raise approximately \$9.1 million comprising;
 - an institutional entitlement offer to raise approximately A\$7.1 million; and
 - a retail entitlement offer to raise approximately A\$2 million
- The Entitlement Offer is fully underwritten by Henslow Pty Limited

Placement

The Placement comprises approximately 35.7m new shares at an offer price of A\$0.028 per share to raise approximately A\$1 million. New Shares will rank equally with existing PVE shares. The New Shares will be issued under the Company's 15% placement capacity under Listing Rule 7.1.

Entitlement Offer

The Entitlement Offer comprises a 1 for 2 accelerated pro rata non-renounceable pro rata entitlement offer to raise approximately A\$9.1 million. The Entitlement Offer is being offered at a price of A\$0.028 per share (**Offer Price**), which represents a discount of 17.6% to the closing price of A\$0.034 on 16 June 2021 and a discount of 12.5% to the theoretical ex-rights price of \$0.032.

Under the Entitlement Offer, eligible shareholders are invited to subscribe for 1 fully paid ordinary share in the Company (Share) for every 2 Shares (Entitlement) held as at 7:00pm (AEST) on Monday, 21 June 2021.

The Entitlement Offer comprises a non-renounceable entitlement offer to institutional shareholders (Institutional Entitlement Offer) and to retail shareholders (Retail Entitlement Offer).

The Entitlement Offer is fully underwritten by Henslow Pty Ltd.

New shares issued under the Entitlement Offer will rank equally with existing ordinary shares.

Use of funds

The Company intends to use the proceeds from the Placement and Entitlement Offer for the development of the Selva Malvezzi project and to strengthen the balance sheet, including the retirement of existing shareholder loans, interest on loans and convertible notes and repayment of convertible notes.

Use of Funds	Amount (A\$m)
Bond	1.6
Selva Malvezzi project development	2.4
Convertible notes repayment	0.6
Shareholder loan and interest repayment (including interest on convertible notes)	4.4
Working capital and transaction costs	1.1
Total	10.1

Additional information on the Entitlement Offer

Institutional Entitlement Offer

Eligible institutional shareholders will be invited to participate in the Institutional Entitlement Offer, which will commence on Friday, 18 June 2021. Eligible institutional shareholders can choose to take up all, part or none of their Entitlement.

Entitlements that eligible institutional shareholders do not take up by the close of the Institutional Entitlement Offer will be sold through the institutional shortfall bookbuild at the Offer Price on Friday, 18 June 2021 (Institutional Shortfall Bookbuild).

Eligible institutional shareholders will be those with registered addresses in Australia, New Zealand, Canada, Italy, Netherlands, United Kingdom or United States.

The Company's shares have been placed in trading halt whilst the Institutional Entitlement Offer and Institutional Shortfall Bookbuild are undertaken.

Two of the Company's directors, Messrs Michael Masterman and Kevin Bailey, have agreed to sub-underwrite an aggregate of \$2.9 million of the Institutional Entitlement Offer. Additional details with respect to this sub-underwriting will be set out in the Retail Offer Booklet which is expected to be despatched on or around Thursday, 24 June 2021.

Retail Entitlement Offer

Eligible retail shareholders will be invited to participate in the Retail Entitlement Offer at the same Offer Price and offer ratio as the Institutional Entitlement Offer (Retail Entitlement Offer). The Retail Entitlement Offer will open at 10:00am (AEST) on Thursday, 24 June 2021 and close at 5pm (AEST) on Friday, 9 July 2021.

Eligible retail shareholders will be those with registered addresses in Australia, New Zealand, Canada, Italy, Netherlands, United Kingdom or United States as at the record date. Eligible retail shareholders can choose to take up all, part or none of their Entitlement.

Eligible retail shareholders wishing to participate in the Retail Entitlement Offer should carefully read the Retail Offer Booklet and accompanying personalised Entitlement and Acceptance Form which are expected to be lodged with ASX and despatched on to shareholders no later than Thursday, 24 June 2021.

Indicative Timetable

Event	Date
Offer announced Appendix 3B, cleansing notice and offer presentation released to ASX	Before the commencement of trading on Friday, 18 June 2021
Placement and Institutional Offer - open date	Friday, 18 June 2021
Placement and Institutional Offer - close date	Friday, 18 June 2021
Announcement of results of Placement and Institutional Offer	Before the commencement of trading on Monday, 21 June 2021
Trading halt lifted (trading resumes on ex-entitlement basis)	Monday, 21 June 2021
Offer Booklet released to ASX	Monday, 21 June 2021
Record date – Retail Entitlement Offer	Monday, 21 June 2021
Retail Entitlement Offer - open date Announce dispatch of Offer Booklet to retail investors	Thursday, 24 June 2021
DvP settlement – Placement and Institutional Offer Lodge updated Appendix 3B with ASX (if required)	No later than noon on Thursday, 24 June 2021
Quotation of New Shares under Institutional Offer	Friday, 25 June 2021
Retail Entitlement Offer – close date	Friday, 09 July 2021
Announcement of results of Retail Entitlement Offer and shortfall notification (if any)	Tuesday, 13 July 2021
Settlement and allotment of New Shares under Retail Entitlement Offer. Lodge updated Appendix 3B with ASX (if required)	No later than noon on Thursday, 15 July 2021
Quotation of New Shares under Retail Entitlement Offer	Friday, 16 July 2021
Despatch of holding statements to retail investors	Monday, 19 July 2021

The above timetable is indicative only. The commencement of quotation of Shares is subject to approval by ASX. The Company reserves the right to vary any of the above dates without notice subject to the requirements of the Corporations Act, the Listing Rules and any other applicable laws, including extending the Entitlement Offer or accepting late applications, either generally or in particular cases, without notice. Any extension of the Entitlement Offer will have a consequential effect on the issue date of the Shares.

Further Information

Further details of the Equity Capital Raising are set out in the Investor Presentation also lodged on the ASX today. The Investor Presentation contains important information including key risks and foreign offer restrictions with respect to the Equity Raising. For other questions, you should consult your broker, solicitor, accountant, tax adviser, financial adviser, or other professional adviser.

This ASX announcement was approved and authorised for release by the Board of Po Valley Energy Limited

ENDS

Media Contacts:

Michael Masterman, Po Valley CEO, 0418 951 792

Equity Capital Raising Presentation

June 2021



Important Notices and Disclaimer

The release, publication or distribution of this presentation in certain jurisdictions may be restricted by law and therefore persons in such jurisdictions into which this presentation is released, published or distributed should inform themselves about and observe such restrictions.

OVERVIEW

This investor presentation ("Presentation") has been prepared by Po Valley Energy Ltd (ABN 33 087 741 571) ("Po Valley Energy", the "Company", "PVE") and is dated 18 June 2021. This Presentation has been prepared in relation to a placement and pro-rata accelerated non-renounceable entitlement offer of new Po Valley Energy ordinary shares ("New Shares") to 'sophisticated' and 'professional' investors (as defined in the Corporations Act (Cth)) ("Offer").

SUMMARY INFORMATION

This Presentation contains summary information about the current activities of Po Valley Energy and its subsidiaries and certain acquisitions as at the date of this Presentation. The information in this Presentation is of a general nature and does not purport to be complete. This Presentation does not purport to contain all the information that an investor should consider when making an investment decision nor does it contain all the information which would be required in a disclosure document or prospectus prepared in accordance with the requirements of the Corporations Act. It should be read in conjunction with Po Valley Energy's other periodic and continuous disclosure announcements lodged with the ASX, which are available at www.asx.com.au/markets/company/pve. Neither Po Valley Energy nor its directors, employees or advisers give any warranties in relation to the statements and information in this Presentation.

NOT AN OFFER

This Presentation is for information purposes only and is not a prospectus, disclosure document, product disclosure statement or other offering document under Australian law or any other law (and will not be lodged with ASIC or any other regulator and is not approved by or registered with any regulator). The Presentation is not and should not be considered an offer or an invitation to acquire New Shares or any other financial products. This Presentation may not be released or distributed in the United States. This Presentation does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States or in any other jurisdiction in which such an offer would be illegal. The New Shares have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended (the "U.S. Securities Act") or the securities laws of any state or other jurisdiction of the United States. Accordingly, the New Shares may not be offered or sold in the United States unless such New Shares have been registered under the U.S. Securities Act, or are offered and sold in a transaction exempt from, or not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. The distribution of this Presentation in other jurisdictions outside Australia may also be restricted by law and any such restrictions should be observed. Any failure to comply with such restrictions may constitute a violation of applicable securities laws (see "International Offer Restrictions").

NOT FINANCIAL PRODUCT ADVICE

This Presentation does not constitute financial product or investment advice (nor tax, accounting or legal advice) nor is it a recommendation to acquire New Shares and does not and will not form any part of any contract for the acquisition of New Shares. This Presentation has been prepared without taking into account the objectives, financial situation or needs of any particular investor. Before making an investment decision, prospective investors should consider the appropriateness of the information having regard to their own objectives, financial situation and needs and seek appropriate advice, including financial, legal and taxation advice appropriate to their jurisdiction. Po Valley Energy is not licensed to provide financial product advice in respect of Po Valley Energy shares or any other investment. Cooling off rights do not apply to the acquisition of New Shares.

FINANCIAL DATA

All dollar values are in Australian dollars ("A\$") except where denoted by € (Euro). Investors should note that this Presentation contains pro forma financial information. The pro forma financial information provided in this Presentation is for illustrative purposes only and is not represented as being indicative of Po Valley Energy's views on its future financial condition and/or performance. The pro forma financial information has been prepared by Po Valley Energy and may not have been prepared in accordance with the measurement and recognition requirements or the disclosure requirements, of applicable accounting standards and other mandatory requirements in Australia.

Important Notices and Disclaimer

DISCLAIMER

This presentation is for informational purposes only and does not constitute an offer to sell, or solicitation to purchase, any securities. Such Offer can be made only through proper subscription documentation and only to investors meeting strict suitability requirements. Any failure to comply with these restrictions may constitute a violation of applicable securities laws. In providing this presentation Po Valley Energy has not considered the financial position or needs of the recipient. Persons needing advice should consult their stockbroker, bank manager, solicitor, attorney, accountant or other independent financial and legal advisors.

FORWARD LOOKING STATEMENTS

Various statements in this presentation constitute statements relating to intentions, future acts and events. Such statements are generally classified as “forward looking statements” and involve known and unknown risks, uncertainties and other important factors that could cause those future acts, events and circumstances to differ materially from what is presented or implicitly portrayed herein. Words such as “anticipates”, “expects”, “intends”, “plans”, “believes”, “seeks”, “estimates” and similar expressions are intended to identify forward-looking statements. PVE cautions shareholders and prospective shareholders not to place undue reliance on these forward-looking statements, which reflect the view of PVE only as of the date of this presentation. The forward-looking statements made in this presentation relate only to events as of the date on which the statements are made.

RESERVES AND RESOURCES

Po Valley Energy Limited (ASX: PVE) provides the following additional information to this Presentation:

1. The estimates of Reserves, Contingent and Prospective Resource included in the Presentation are estimates reported in the Competent Person Report (CPR) dated 24 April 2019 issued by CGG Services (UK) Limited (CGG) and as per the ASX announcement of 26 April 2019
2. All estimates, except for those relating to Teodorico, have been determined using a deterministic method. Estimates for Teodorico have been determined using a probabilistic method
3. Estimates of petroleum reserves, contingent resources and prospective resources have not been reported in units of equivalency between oil and gas. Estimates for gas have been reported in Bcf and for oil in MMbbl.
4. Where reported, aggregated Reserves and Contingent Resources are aggregated by arithmetic summation by category.
5. In relation to Prospective Resources reported in the Presentation on slides 3, 4, 9, 12, 13, 15, 16, 27 and 28 the following cautionary statement applies:

The estimated quantities of petroleum that may be potentially be recovered by the application of a future development project(s) relate to undiscovered accumulations. These estimates have both an associated risk of discovery and a risk of development. Further exploration appraisal and evaluation is required to determine the existence of a significant quantity of potentially moveable hydrocarbons.

6. The Company confirms it is not aware of any information or data that materially affects the information included in the original market announcements referred to in this presentation, and in the case of estimates for petroleum reserves, contingent resources and prospective resources, all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The company confirms the that the form and context in which the Competent Person's finding are presented have not materially modified from the original market announcement.

EXPLORATION RESULTS

Refer to Company Announcements for full details on Exploration Results. Po Valley Energy is not aware of any new information or data that materially affects the information contained in those announcements

Executive Summary

Po Valley Energy Limited (ASX:PVE) is pleased to confirm it intends to undertake a A\$10.1m equity capital raising to:

- Accelerate near term gas production at Selva Malvezzi onshore gas project and progress exploration of offshore gas assets and create shareholder value; and
- Strengthen the Company's balance sheet

Strong portfolio of near term gas production and exploration assets ¹	<ul style="list-style-type: none"> • Balanced portfolio of gas near-term development and large prospects located in Northern Italy • 44.9 Bcf in net 2P Reserve, development ready • 26.9 Bcf in net 2C Contingent Resource • 74.7 Bcf in net Best Case Prospective Resource
Near term gas production at Selva Malvezzi	<ul style="list-style-type: none"> • Selva onshore gas project represents a low capex (€2.3m) opportunity to generate strong EBITDA (~ €7.5m p.a.) • PVE Share (63%) - Capex (€1.5m), EBITDA (~ €4.7m p.a.)
Further development & large-scale exploration upside	<ul style="list-style-type: none"> • 100%-owned Teodorico is a large scale offshore gas project located in the Adriatic Sea, proximal to existing infrastructure and major gas developments
Environmental Approval	<ul style="list-style-type: none"> • Received EIA approvals and preliminary award for Production Concessions to develop Selva and Teodorico
Management expertise	<ul style="list-style-type: none"> • Deep Italian oil and gas expertise with key team members former management of major operator Eni S.p.A
Equity Capital Raising	<ul style="list-style-type: none"> • Po Valley Energy is raising ~A\$10.1m at \$0.0028 per share through a \$1m placement using the Company's available capacity under ASX LR 7.1 and 1 for 2 underwritten accelerated entitlement offer to raise A\$9.1m to fund: <ul style="list-style-type: none"> • ~\$1.6m¹ (€1.0m) for bond • ~\$2.4m¹ (€1.5m) for Selva Malvezzi project development (PVE Share) • ~\$0.6m for repayment of convertible notes • ~\$4.4m repayment / conversion of shareholder loans and interest (including convertible note interest) • ~\$1.1m working capital and transaction costs • The equity capital raising is being supported by Po Valley Energy Directors, existing shareholders and new investors

1. AUD/EUR exchange rate assumed 0.63

Four Assets: Gas Development & Large Scale Exploration Upside

Development Stage²

		Gross	Unlocks	
Selva	Gas Onshore	2P Reserves	Capex €2.3MM	Daily prod 3.5 MMcfd ¹ EBITDA c. €7.5 MM p.a. ¹
		2C Resources (recoverable)		
		Best Prospective ⁴		
Teodorico	Gas Offshore	2P Reserves	Capex €53.7MM	Daily prod 14.2 MMcfd ¹ EBITDA c. €16.9 MM p.a. ¹
		2C Resources (recoverable)		
		Best Prospective ⁴		

Exploration Stage³

Bagnolo / Ravizza	2C Resources (recoverable)	43.4 MMbbls	Large Scale Exploration upside
	Best Prospective ⁴	54.5 MMbbls	
Torre Del Moro	Best Prospective ⁴	106.0 MMbbls	

¹ All figures are gross to project – 2nd year production from 2P Reserves as per 2019 CPR. Refer to ASX Announcement 8 Feb 2019 and 26 April 2019

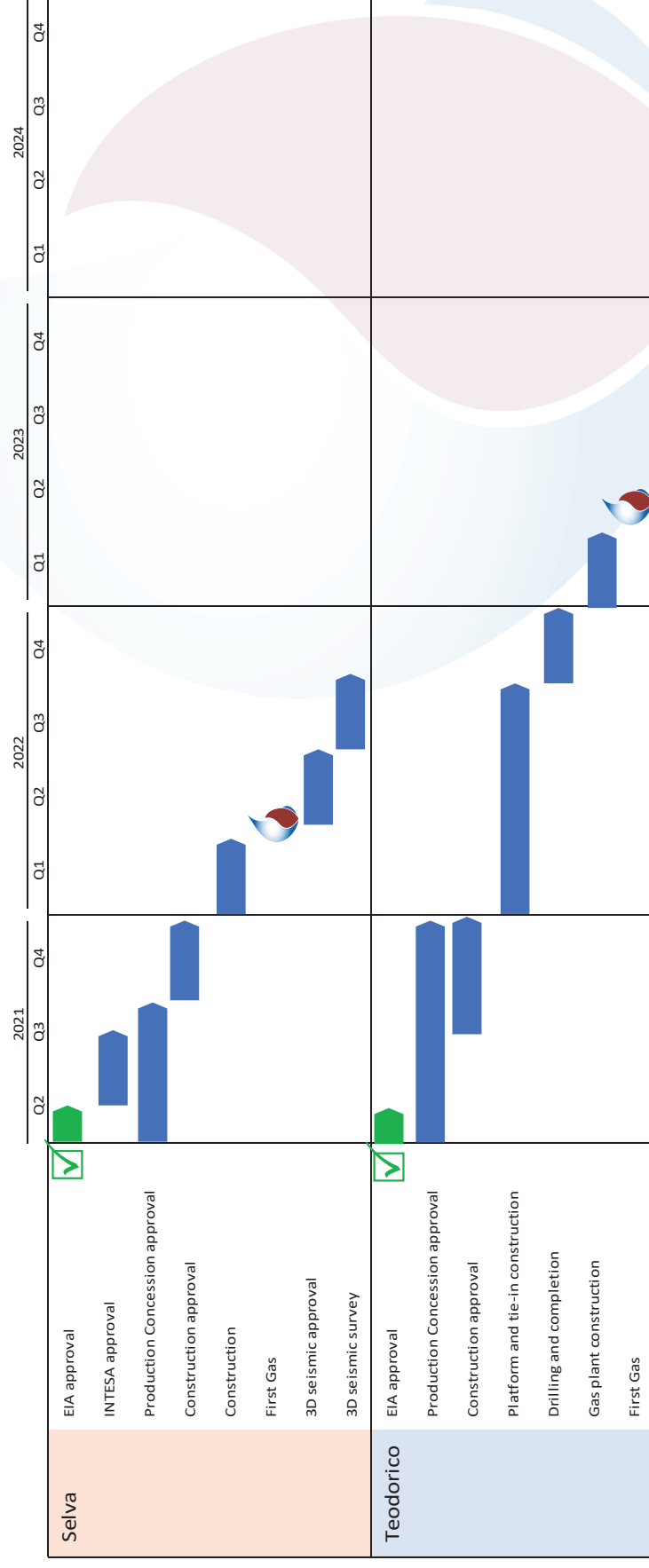
² The Company has received EIA approvals and preliminary award for Production Concessions to develop Selva and Teodorico

³ All Italian oil and gas exploration licences are currently suspended pursuant to a government decree that came into effect in February 2019

⁴ Best Estimate Prospective Resources (Recoverable) Refer to ASX Announcement 26 April 2019

Proposed Development Schedule

Executing on clear development path targeting first gas in Q2 2022 (Selva) and Q2 2023 (Teodorico)





Portfolio of Assets

Market Cap (21 June 2021)	A\$32.07m
Shares on issue	1,006.64m
Ticker	ASX:PVE
Website	www.povalley.com

Balance Sheet (Post Transaction)

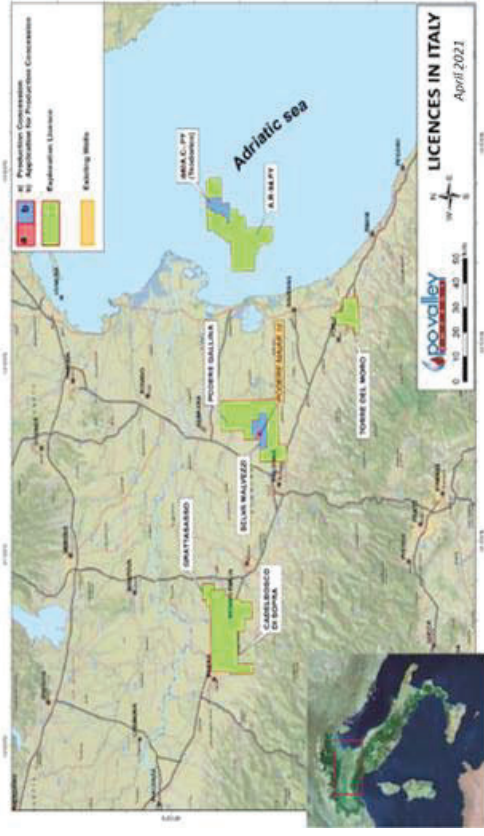
Cash at bank	\$4.7m ¹
Debt	Nil
Convertible notes outstanding	\$1.7m ¹

1. AUD/EUR exchange rate assumed 0.63

Significant Shareholders (Post Transaction)² %

Michael Masterman	21.7%
Kevin Bailey	24.9%
Beronia Investments	12.9%
Supervised Investments	5.1%
Others	35.4%
Total	100.0%

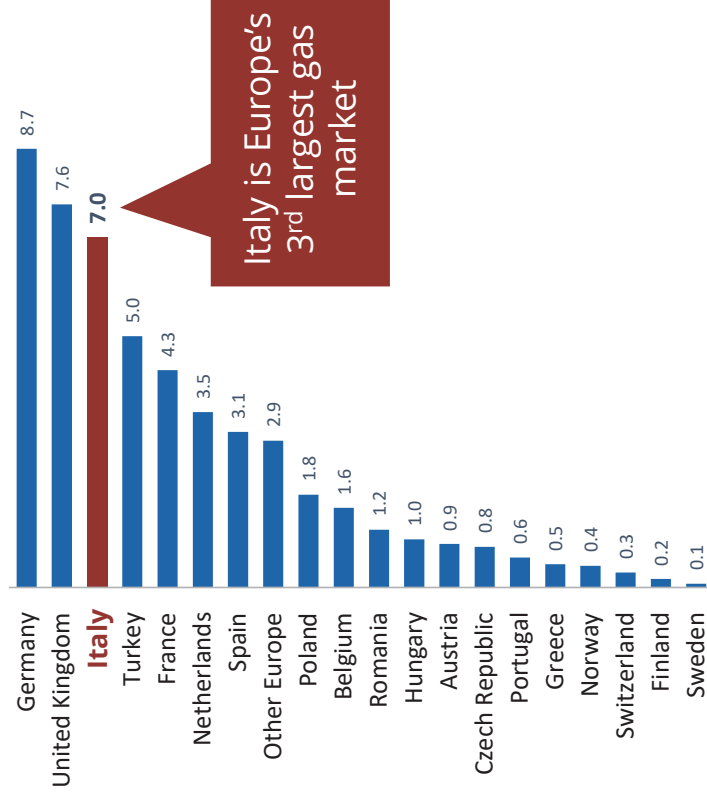
2. Calculations based on maximum shareholdings as a result of firm commitments and sub-writing commitments entered into and assuming there is no take-up from other shareholders under the entitlement offer



Italian Market Oil & Gas Overview

Italy is Europe's 3rd largest market for natural gas, and has a favourable tax and concessionary system for domestic production

Natural Gas Consumption (Bcf/d)



Source: BP Statistical Review of World Energy, 67th Edition (June 2018)
Note: All figures are as at the end of 2017

Production

- Italy is the 5th largest producer of oil in Europe:
 - Val d'Agri:** currently produces 80,000 bpd
 - Tempa Rossa:** currently produces 50,000 bpd

Fiscal Regime

- A Tax and Concessionary system
- Corporate tax of 27.9%
- Royalties:

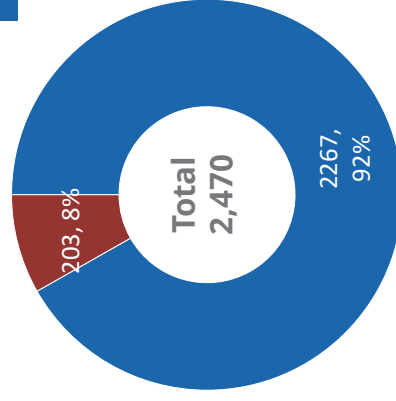
Production		Exempted quota	Roy (%)
Gas	Land	10 MMscm	10%
	Sea	30 MMscm	10%

Favourable Market Dynamics

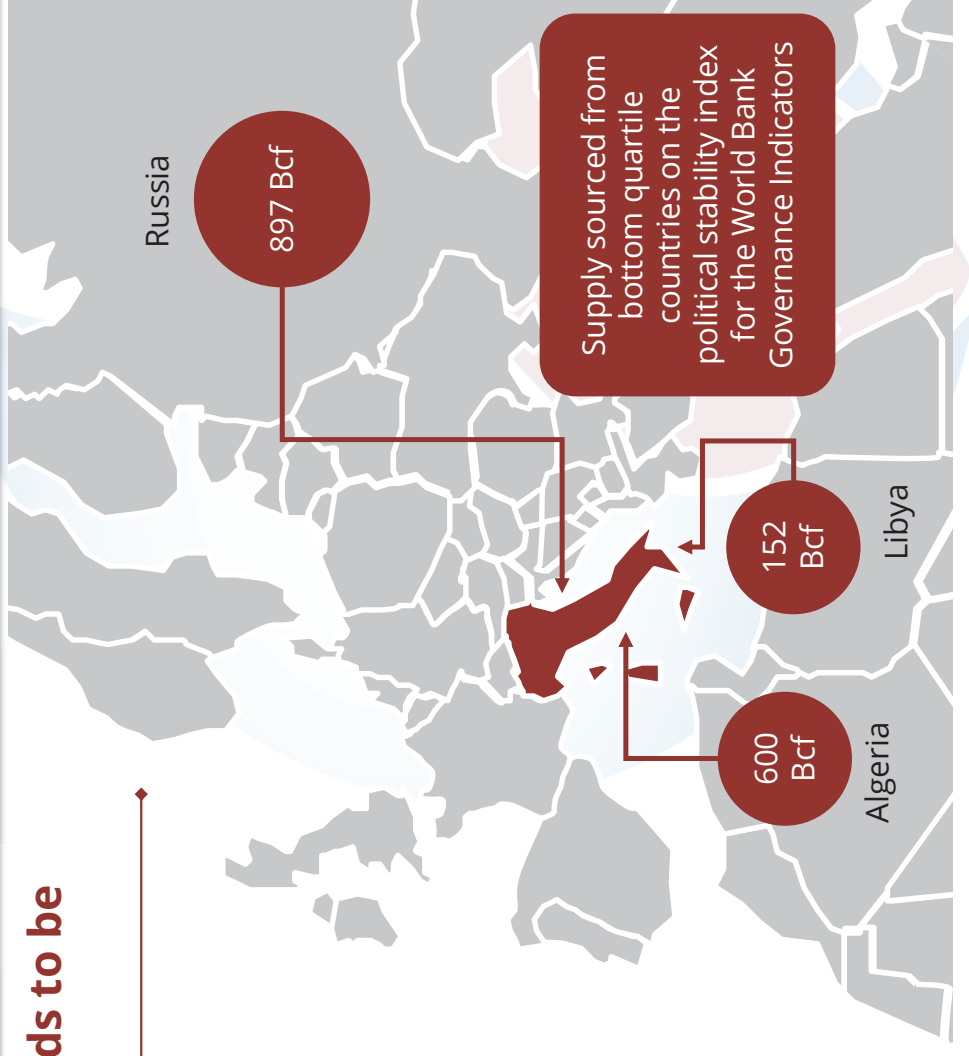
92% of Italian gas consumption needs to be imported

Gas Consumption (Bcf)

■ Domestic production
■ Imports



Favourable domestic prices
€0.20 – 0.22 / scm
(US\$6.8 – 7.2 / Mcf)



Source: BP Statistical Review of World Energy, 67th Edition (June 2018)
Note: All figures are as at the end of 2017

Selva Malvezzi - Overview

Selva is a €2.3MM natural gas development project based on historic onshore gas fields formerly operated by Eni

Overview

- Onshore gas development asset located in the eastern part of the Po Plain, Italy
- Environmental Impact Assessment (EIA) approval announced April 2021 (received in March 2021)
- 63%-owned by Po Valley, with 20% United Oil & Gas Plc, 17% Prospek Oil & Gas; concession quota transfer to be authorized by the Ministry
- Po Valley's late 2017 drilling program intersected two identified gas reservoirs, C1 and C2, in the Medium-Upper Pliocene sands
 - Total net pay 41m across C1 and C2
 - **C1:** flow rate of 129,658 scm/d (3/8" choke)¹
 - **C2:** flow rate of 148,136 scm/d (3/8" choke)¹

Gas is 99.5% Biogenic Methane and has no hydrocarbon liquids, and as such will require minimal surface processing when the field is developed

¹ - Refer to ASX announcement 19 January 2018

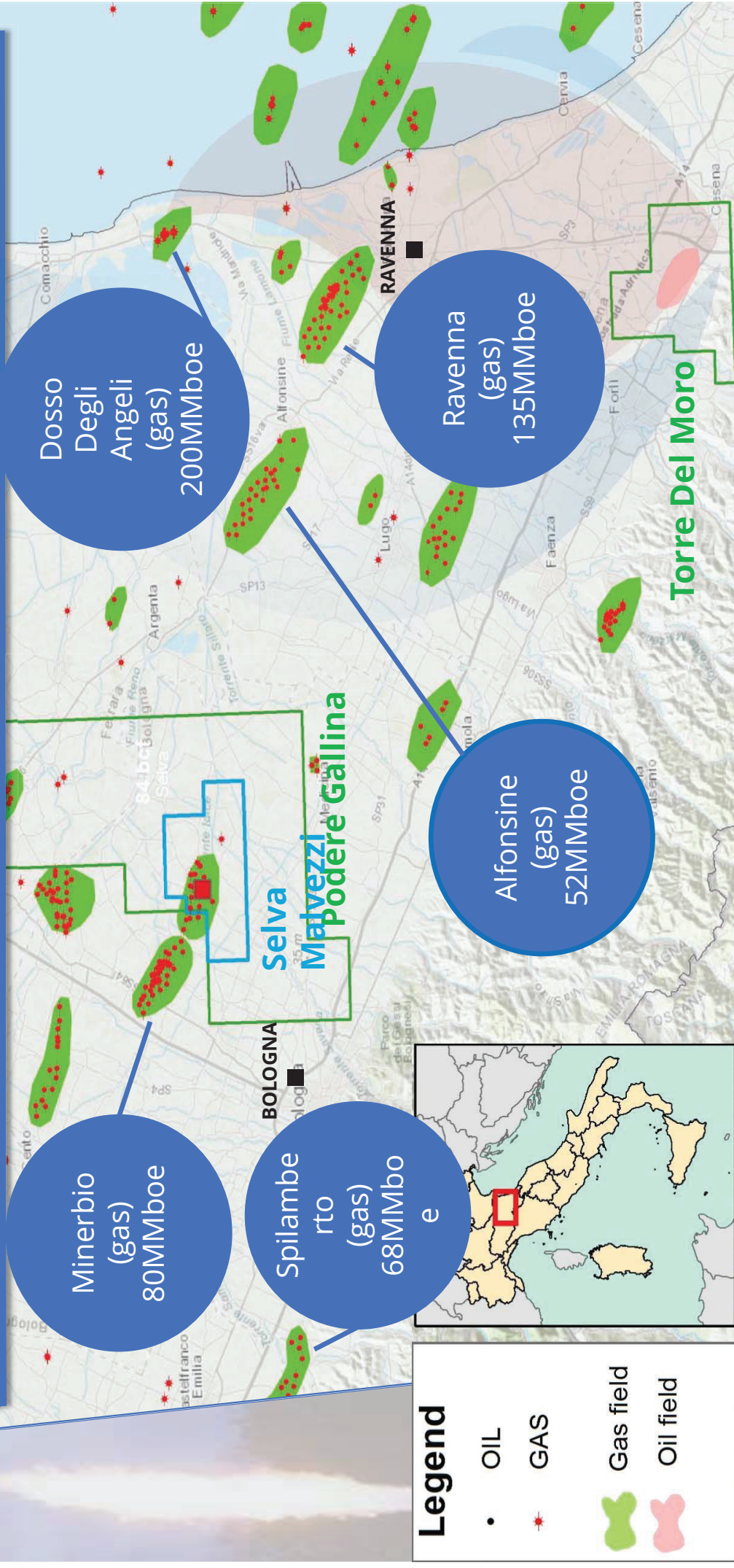


Podere Maiar – 1 well (drilled in Dec 2017)

Ownership	63%
Reserves (2P, net attributable)	8.4 Bcf
Resources (2C, net attributable)	8.9 Bcf
Resources (Best Prospective, net attributable)	57.6 Bcf
First gas	2Q 2022
Capital expenditure (net attributable)	€1.5m

Source: CGG CPR (April 2019); Refer to ASX Announcement 8 Feb 2019 and 26 April 2019

Selva Malvezzi – Located Among Large Discoveries



Selva Malvezzi – Development

Tie-in to pipeline 1,000 m away from Podere Maiar well site; production tested up to 5.0 MMcf/day from C1 and C2 sand levels

Overview

- Successful well test in early 2018 demonstrated good flow rates from C1 and C2 sands
- **First step:** Install skid mounted separation and dehydration units, fiscal metering and water storage tanks
- **Second step:** Install a 1km long pipeline to connect to the existing National Grid

Production Well
PM1dir

Pipeline
(1,000m)

SNAM pipeline
Tie-in

METAN IN PROGETTO
Soluzione "B" L=1023 metri

METAN IN PROGETTO
Soluzione "A" L=201 metri

POZZO
PODERE MAIAR 1 DIR
P.0

V1

V2

V3

V4

COMUNE DI BUDRIO

COMUNE DI MOLINELLA

Selva Malvezzi – 100Bcf + All Within Production Concession

Selva levels A+B prospects

(2C Contingent Resource: 14,1 Bcf gross)

- Stratigraphic pinch-out prospects proved viable by successful Podere Maiar-1 well
- Level A and B sands in mid-pliocene reservoir

Podere Maiar well

(2P Reserve: 13.4 Bcf gross)

- Development stage
- Successful well test and flow rates recorded in late 2017 (DM1 dir)

Riccardina prospect

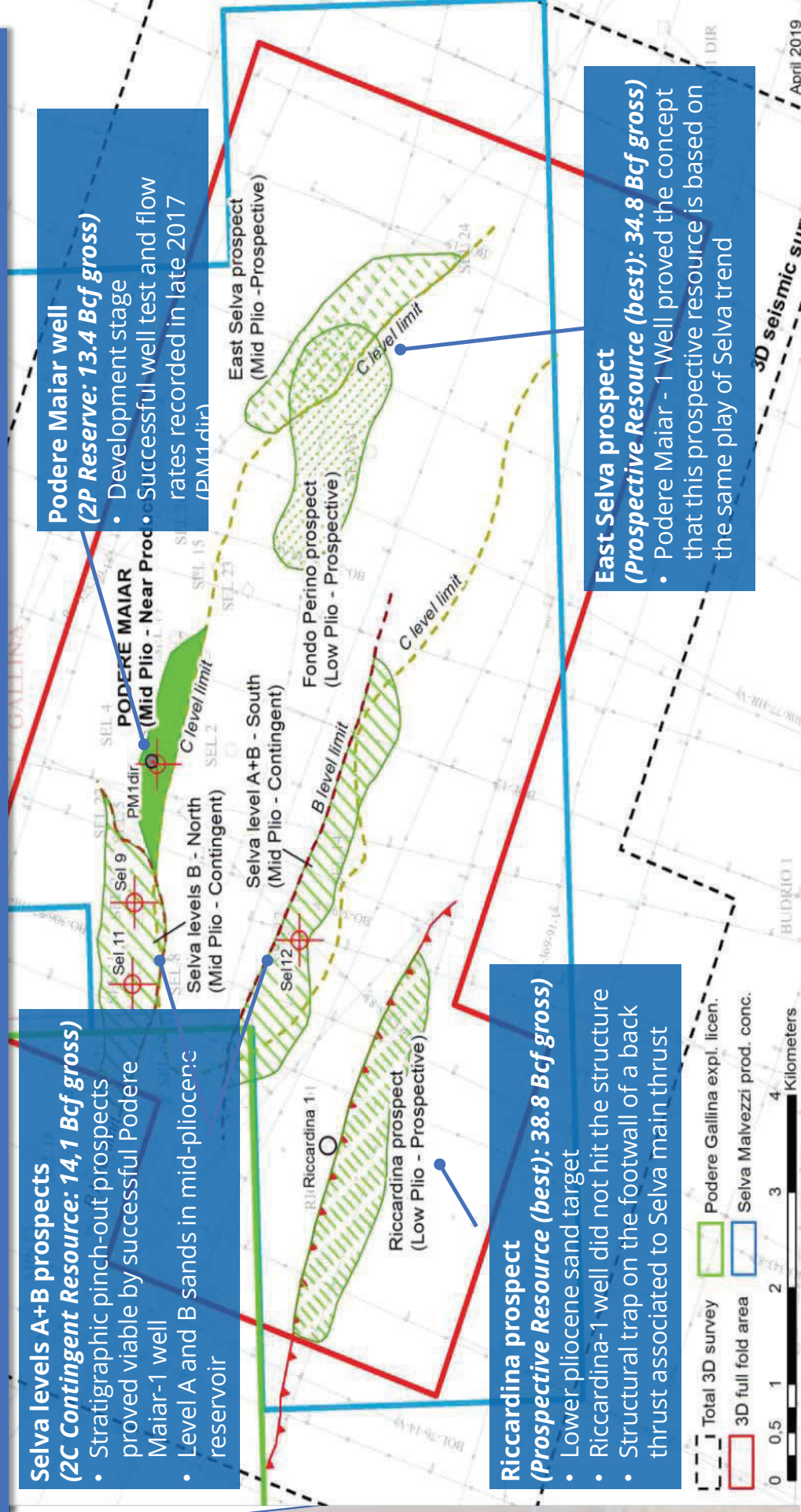
(Prospective Resource (best): 38.8 Bcf gross)

- Lower pliocene sand target
- Riccardina-1 well did not hit the structure
- Structural trap on the footwall of a back thrust associated to Selva main thrust

East Selva prospect

(Prospective Resource (best): 34.8 Bcf gross)

- Podere Maiar - 1 Well proved the concept that this prospective resource is based on the same play of Selva trend

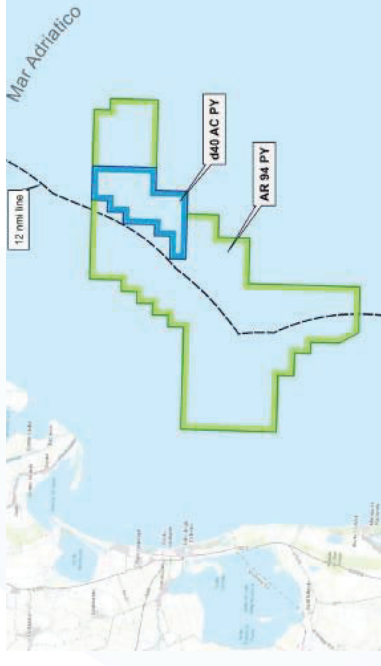


Teodorico – Overview

Teodorico is Po Valley's largest scale asset and is ready for development pending final production concession approvals

Overview

- Offshore gas development asset located in the shallow waters of the Adriatic Sea (d40 AC PY), 40km north-east of Ravenna
 - 100%-owned by Po Valley Energy
 - Total licence area of 65.9km²
- Environmental Impact Assessment (EIA) approval in March 2021
- 118km² of 3D seismic and well data has been since acquired from Eni S.p.A
- Teodorico contains two gas discoveries drilled and tested by the former operator Eni S.p.A
 - Carola 1: discovery well drilled in 1986 to 2,620m and recorded flow rates of 62,000 scm/d (1/4" choke)
 - Irma 1: drilled in 1988 to 2,572m and recorded flow rates of 131,000 scm/d (5/16" choke)

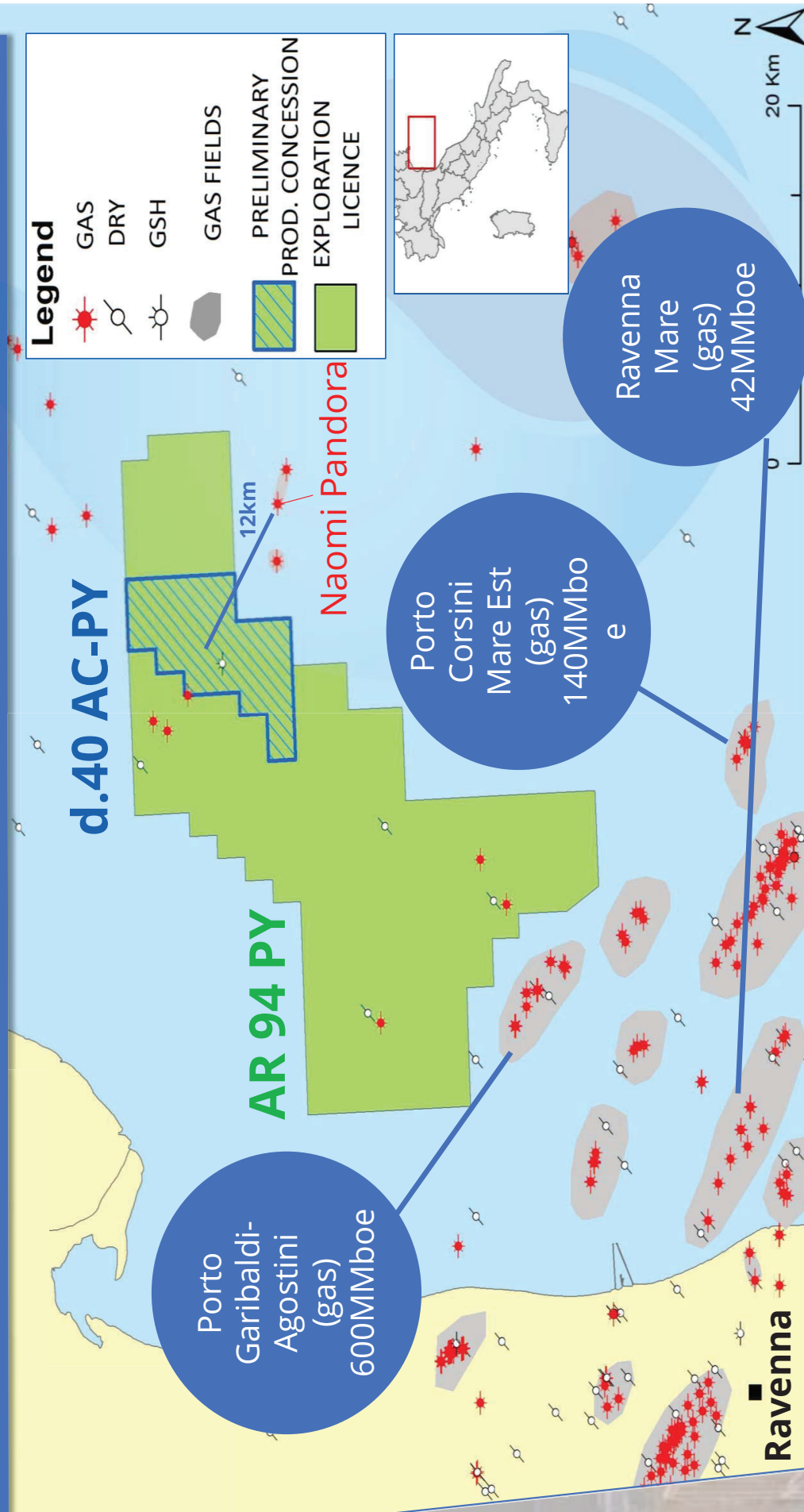


Picture: AR 94 PY Exploration Permit & d40 AC PY Production Concession

Ownership	100%
Reserves (2P, attributable)	36.5 Bcf
Resources (2C, attributable)	10.6 Bcf
Prospective (Best, attributable)	15.9 Bcf
First gas	Q2 2023
Capital expenditure	€53.7m

Source: CGG CPR (April 2019); Refer to ASX Announcement 19 Feb 2018 and 26 April 2019

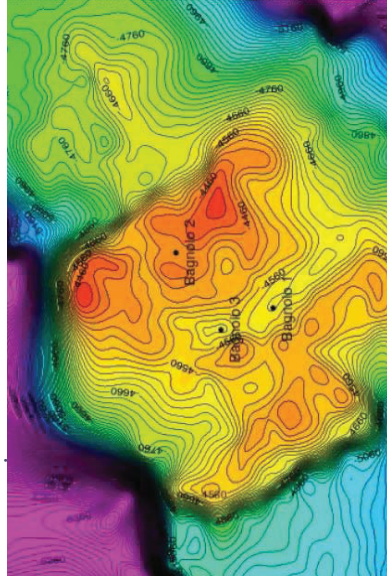
Teodorico – Located Among Large Discoveries



Significant Upside with Large Onshore Oil Prospects

Bagnolo

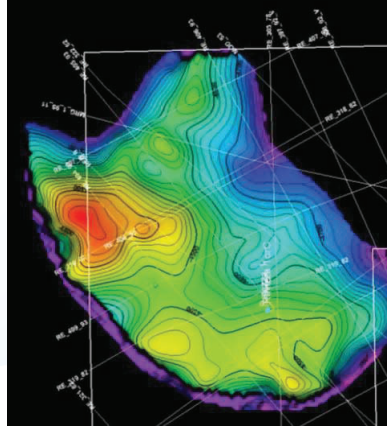
- 100% owned by PVO
- **2C Contingent Resource of 27.3 MMbbls**
- **Prospective Resource (Best) of 54.5 MMbbls**
- Located in the Emilia Romagna region in Northern Italy (in the same Cadelbosco permit outlined prospects with 7.4 bcf of 2C gas contingent resources)
- Feature is interpreted as a fault bounded anticline on eight seismic lines with 0.5km to 2km line



Top Bagnolo Limestone Depth Map

Ravizza

- 100% owned by PVO
- **2C Contingent Resource of 16.1 MMbbls**
- Located in the Emilia Romagna region in Northern Italy
- Faulted anticline in the Eocene / Oligocene limestone
- Similar lithology to the Bagnolo-in-Piano discovery



Ravizza depth map

Note: Refer to ASX Announcement and 26 April 2019

Torre Del Moro: Large Scale Oil and Condensate Exploration

Maiden Prospective Resource Estimate of 106 MMbbls

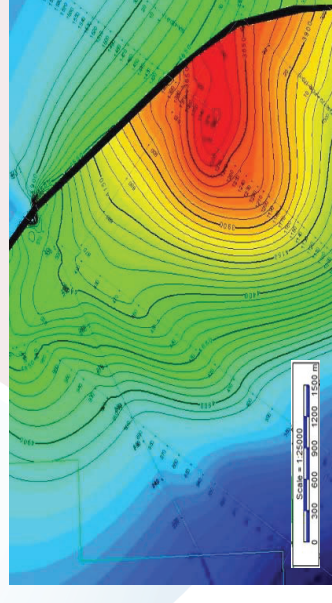
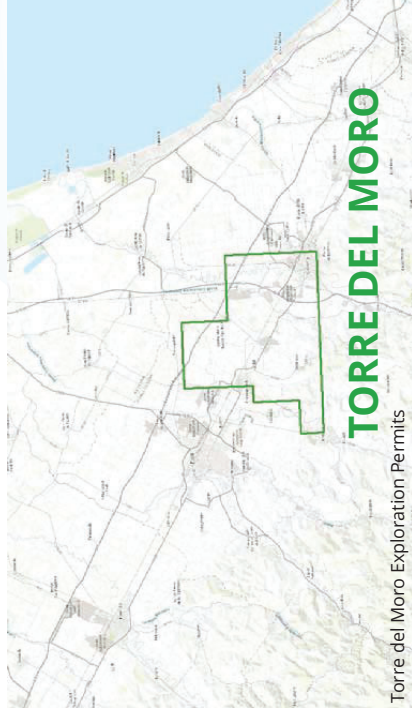
Overview

- 100% owned by PVO
- **Prospective Resource (Best) of 106 MMbbls from a mid-case OOIP assessment of 312 MMbbls**
- Located in the Emilia Romagna region (Northern Italy)



Geology

- Primary reservoir target is the Lower Jurassic fractured limestones of the Calcare Massiccio and Corniola fm
- Source rocks are likely to be the oil-prone Rhaetavicula contorta limestone
- Top seal relies upon Jurassic, basalinal, limestone-shale sequences and fault seal at the thrust
- Proven petroleum system supported by Sarsina-1 well



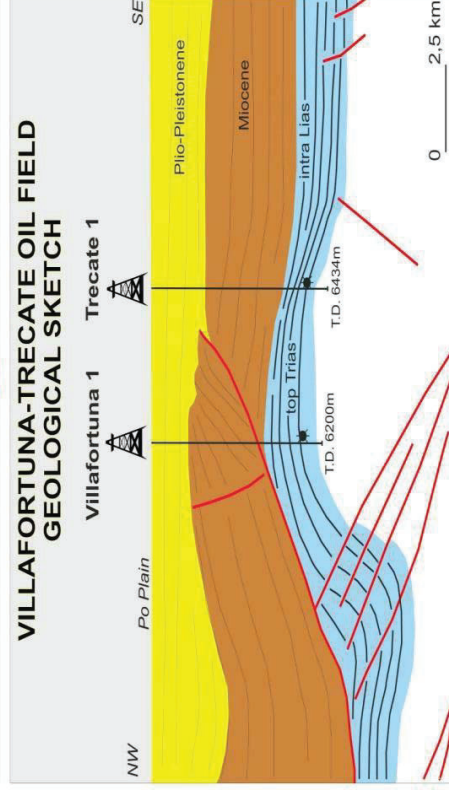
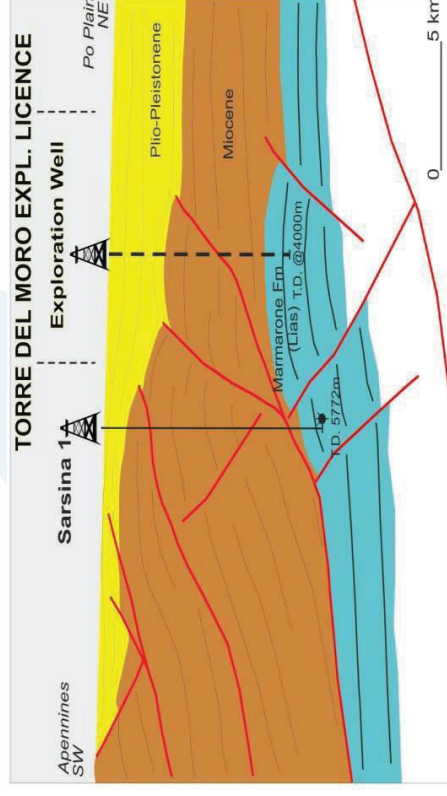
Note: Refer to ASX Announcement and 26 April 2019

Top reservoir depth map

Villafortuna: Analogous to Torre Del Moro

Analogous field geology to Eni S.p.A's Villafortuna field (230MMbbls already produced)

Villafortuna	
Location	30 km West of Milan
Discovery	1984
Recoverable Reserves	290MMbbl
Production to date	230MMbbls ¹
Production Peak	80,000 boepd



¹ - by end of 2017

The Team

The Po Valley team is based in Australia (corporate) and Italy (technical), with deep industry links in country with local operators

Board

Michael Masterman

Chairman & Chief Executive Officer



- 30 years of experience in the natural resources industry
- Founder of PVE and W Resources
- Executive positions in a number of companies including Fortescue Metals Group, W Resources, and Anaconda Nickel in Australia, Italy, Spain, and China
- 8 years McKinsey

Kevin Bailey

Non-executive Director



- 28 years experience in the Financial Services industry
- Member of the Australian Prime Minister's Community Business Partnership
- Chairman of Parousia Media
- Former Director of the Investment Advisory Board (IAB) Timor Leste Sovereign Wealth Fund

Sara Edmonson

Non-executive Director



- 20 years experience in oil & gas and renewable energy
- Previously CEO Po Valley Energy and Coro Energy
- Former President of Associazione Energia Nazionale
- 10 years at Ernst Young
- MBA from St John's University, NYC

Senior Management

Giorgio Bertuzzi

Exploration & New Projects Manager



- 31 years' experience with ENI /Agip, covering many diverse roles
- Exploration Manager, Prefeasibility Studies Manager, in Italy
- Degree in Geological Sciences from Milan University

Gianluca De Rosa

Senior Geophysicist



- Over 18 years experience in the oil and gas industry
- Joined PVE in 2008
- 10 years at Eni in the exploration department
- Master degree (MSc) in Geology (1993) from Università degli Studi "La Sapienza"
- Post graduation degree DEA in marine G&G from Université de Bretagne Occidentale - IFREMER.

Equity Capital Raising Overview

Offer structure	<ul style="list-style-type: none"> Equity capital raising of \$10.1m comprising: <ul style="list-style-type: none"> Placement of \$1m within the Company's capacity under ASX Listing Rule 7.1 (Placement); and Underwritten 1 for 2 accelerated non-renounceable entitlement offer of \$9.1m (Entitlement Offer)¹
Offer price	<ul style="list-style-type: none"> All shares under the Placement and Entitlement Offer will be issued at a fixed price of \$[0.028] per New Share (Offer Price) The Offer Price represents: <ul style="list-style-type: none"> 17.7% discount to the last traded price of Po Valley Energy shares of \$0.034 on 16 June 2021 18.4% discount to the Volume Weighted Average Price (VWAP) of \$0.03433 12.1% discount to the Theoretical Ex-Rights Price (TERP) of \$0.032²
Uses of funds	<p>Gross proceeds of the Placement and Entitlement Offer to fund³:</p> <ul style="list-style-type: none"> ~\$1.6m³ (€1.0m) for bond ~\$2.4m³ (€1.5m) for Selva Malvezzi project development ~\$0.6m for repayment of convertible notes ~\$4.4m repayment / conversion of shareholder loans and interest (including convertible note interest) ~\$1.1m for working capital and costs of the offer
Institutional Entitlement Offer and Placement	<ul style="list-style-type: none"> Placement and institutional component of the Entitlement Offer (Institutional Entitlement Offer) will be conducted by way of a bookbuild process on 18 June 2021 Entitlements under the Institutional Entitlement Offer that are not taken up will be offered for sale in the bookbuild
Retail Entitlement Offer	<ul style="list-style-type: none"> Retail component of the Entitlement Offer (Retail Entitlement Offer) will open on 24 June 2021 and close on 09 July 2021
Ranking	<ul style="list-style-type: none"> New Shares issued under the Placement and Entitlement Offer will rank equally in all respects with Po Valley Energy's existing ordinary shares from the date of their issue
Director participation	<ul style="list-style-type: none"> All eligible Po Valley Energy Directors intend to participate in the Entitlement Offer. Debt and convertible note holders have sub-underwritten approximately \$4.4 million of the Entitlement Offer, firm in relief Two Po Valley Energy Directors represent an aggregate of \$4.2 million of the sub-underwriting and firm commitments
Underwriting	<ul style="list-style-type: none"> Henslow Pty Ltd acting as lead manager and underwriter Parties associated with Michael Masterman (Chairman) and Kevin Bailey (Non-Executive Director) have agreed to sub-underwrite an aggregate of \$2.9 million of the Institutional Entitlement Offer⁴

Notes:

- The institutional component of the Entitlement Offer is available to eligible institutional shareholders. See the "Foreign offer restrictions" section of this Presentation for further information.
- Theoretical ex rights price (TERP) includes the shares issued under the Placement and the Entitlement Offer. TERP is the theoretical price at which Po Valley Energy shares (**Shares**) should trade immediately after the ex-date for the Entitlement Offer. TERP is a theoretical calculation only and the actual price at which Shares trade on ASX immediately after the ex-date for the Entitlement Offer will depend on many factors and may not be equal to TERP. TERP is calculated by reference to the closing price of Po Valley Energy Shares as traded on ASX on [x] June 2021, being the last trading day prior to the announcement of the Entitlement Offer.
- AUD/EUR exchange rate assumed 0.63
- Additional details with respect to the sub-underwriting will be set out in the Retail Offer Booklet which is expected to be despatched on or around Thursday, 24 June 2021

Sources and Uses of Funds

Sources	Amount (A\$m)
Placement	1.0
Accelerated Non Renounceable Entitlement Offer	9.1
Total	10.1

Uses	Amount (A\$m) ¹
Bond	1.6 ¹ (€1.0)
Selva Malvezzi project development	2.4 ¹ (€1.5)
Convertible notes repayment	0.6
Shareholder loan and interest repayment (including convertible note interest) ²	4.4 ²
Working capital and transaction costs	1.1
Total	10.1

Notes:

1. AUD/EUR exchange rate assumed 0.63
2. Included in shareholder loan / interest and convertible notes interest repayments are the following repayments of Director and related entity loans:
 - Michael Masterman – Principal & Interest - \$0.7m
 - Kevin Bailey – Principal & Interest - \$1.5m

Equity Capital Raising Timetable

Event	Date
Trading Halt Request, Placement and Institutional Entitlement Offer Opens	17 June 2021
Announcement of Equity Capital Raising (Pre-Market)	18 June 2021
Firm Bids Due - Institutional Entitlement Offer and Placement Closes	4pm AEST 18 June 2021
Announcement of Placement and Institutional Offer	21 June 2021
Trading Halt Lifted - PVE Shares Resume Trading (on ex-entitlement basis)	21 June 2021
Record Date for Entitlement Offer (7.00pm AEST)	21 June 2021
Settlement of New Shares Issued Under Institutional Entitlement Offer and Placement	24 June 2021
Offer Booklet and Entitlement & Acceptance Form Issued and Retail Entitlement Offer Opens	24 June 2021
Allotment and Normal Trading of New Shares Issued Under the Institutional Entitlement Offer and Placement	25 June 2021
Last Day to Extend Offer	06 July 2021
Retail Entitlement Offer Closes (5.00pm AEST)	09 July 2021
Announcement of Results of Retail Entitlement Offer	13 July 2021
Settlement of Retail Entitlement Offer	15 July 2021
Allotment of New Shares Under the Retail Entitlement Offer	15 July 2021
Normal Trading of New Shares Issued Under the Retail Entitlement Offer	16 July 2021

Note: This timetable is indicative only and subject to change. All dates and time refer to Australian Eastern Standard Time (AEST).

Key Risks – Specific

1. INTRODUCTION

There are various risks associated with an investment in New Shares or the Company generally, as with any securities market investment. This section summarises the following key risks:

- (a) Risks specific to the equity capital raising and an investment in the Company's shares (including the New Shares).
 - (b) Existing business and operational risks for the Company – these risks are generally common to oil and gas companies.
- Potential investors should consider whether the Offer is a suitable investment having regard to their own personal investment objectives and financial circumstances, and the key risk factors set out below. The Company has implemented appropriate strategies, actions, systems and safeguards for known risks; however, some are outside of its control. It is not feasible to produce an exhaustive list of potential risk factors associated with the Offer. Potential investors should consult their professional advisers before making any investment decisions. The selection of risks in this Presentation has been based on an assessment of both the probability of the risk occurring and the impact of the risk if it did occur. That assessment is based on the knowledge of the Directors as at the date of this Presentation; so that assessment may result in a different selection in the future, and none of the Company or its Directors provide any guarantee or assurance that the prominence of certain risks will not change or that other risks will not emerge.

2. RISK SPECIFIC TO THE EQUITY CAPITAL RAISING AND AN INVESTMENT IN SHARES

2.1 Investment in equity capital

There are general risks associated with investments in equity capital. The trading price of the Company's shares on ASX may fluctuate with movements in equity capital markets in Australia and internationally. This may result in the market price for the New Shares being less or more than the Offer Price. Generally applicable factors which may affect the market price of The Company's ordinary shares include:

- (a) impact of COVID-19, including on public health;
- (b) general movements in Australian and international stock markets, including market volatility;
- (c) investor sentiment towards markets generally and particular market sectors and the metals produced by the Company;
- (d) Australian and international economic conditions and outlook;
- (e) changes in Australian and foreign government regulation and fiscal, monetary and regulatory policies, including interest rates and inflation rates;
- (f) announcement of new technologies;
- (g) the demand for and supply of capital;
- (h) operating results that may vary from expectations of securities analysts and investors;
- (i) geo-political instability, including international hostilities, acts of terrorism, the response to COVID-19, travel restrictions and trade tensions; and
- (j) future issues of the Company equity securities.

The share prices for many companies have in recent months been subject to significant fluctuations and volatility, which may reflect a diverse range of non-company specific influences referred to above, including the general state of the economy, the response to COVID-19, investor uncertainty, geo-political instability, and global hostilities and tensions. In particular, the events relating to COVID-19 have recently resulted in significant market falls and volatility both in Australia and overseas, including in the prices of equity securities. There is continued uncertainty as to the further impact of COVID-19 on the Australian economy and share markets including in relation to governmental action, work stoppages, university and school stoppages, lockdowns, quarantines and travel restrictions. Any of these events and resulting fluctuations may materially adversely impact the market price of the Company's ordinary shares. No assurances can be given that the New Shares will trade at or above the Offer Price. None of the Company, its Board, the Underwriters, or any other person guarantees the market performance of the New Shares.

2.2 Risks of dilution

Shareholders who do not participate in the Entitlement Offer, will have their percentage security holding in the Company diluted. Further capital raisings or equity-funded acquisitions by the Company may dilute the holdings of investors. This may have an adverse impact on the price of the Company's shares.

2.3 Liquidity risk

There can be no guarantee that there will always be an active market for the Company's shares or that the price of New Shares will be maintained or increase. There may be relatively few buyers or sellers of shares on the ASX at any given time and the demand for the Company's shares specifically is subject to various factors, many of which are beyond the Company's control. This may affect the volatility of the market price of the Company's shares. It may also affect the prevailing market price at which the Company's shareholders are able to sell their the Company's shares. This may result in the Company's shareholders receiving a market price for their the Company's shares that is less or more than the price paid pursuant to the Placement or Entitlement Offer (as applicable).

2.4 Other risks

There may be other risks other than those set out above. Without limiting the generality of the preceding sentence, because of the current uncertain and rapidly changing macroeconomic environment caused by the COVID-19 pandemic and the actions being taken by Australian Federal and State Governments and governments of other countries (including Italy), it is possible that new risks will emerge and the risks set out above may evolve in unforeseen ways that may have a material adverse impact on the Company's operating and financial results.

Key Risks – General

Oil and gas exploration and appraisal involves significant risk. The future profitability of the Company and the value of its shares are directly related to the results of exploration and appraisal activities. There are inherent risks in these activities. No assurances can be given that funds spent on exploration and appraisal will result in discoveries that will be commercially viable. Future exploration and appraisal activities, including drilling and seismic acquisition may result in changes to current perceptions of individual prospects, leads and permits.

The Company identifies and assesses the potential consequences of strategic, safety, environmental, operational, legal, reputational and financial risks in accordance with the Company's risk management policy. The Company's management continually monitors the effectiveness of the Company's risk management, internal compliance and control systems which includes insurance coverage over major operational activities, and reports to the Board on areas where there is scope for improvement. The Board as a whole is responsible for oversight of the Company's risk management and control system. The principal risks and uncertainties that could materially affect the Company's future performance including the ongoing effects of the COVID-19 pandemic are described below.

1. Exposure to gas pricing

Volatile oil and gas prices make it difficult to predict future price movements with any certainty. Decline in oil or gas prices could have an adverse effect on the Company. The Company does not currently hedge its exposures to gas price movements long term. The profitability of the Company's prospective gas assets will be determined by the future market for domestic gas. Gas prices can vary significantly depending on other European gas markets, oil and refined oil product prices, worldwide supply and the terms under which long term take or pay arrangements are agreed.

2. Changes to law, regulations or Government policy

Changes in law and regulations or government policy may adversely affect the Company's business. Examples include changes to land access or the introduction of legislation that restricts or inhibits exploration and production and associated approvals processes. Similarly changes to direct or indirect tax legislation may have an adverse impact on the Company's profitability, net assets and cash flow.

3. Uncertainty of timing of regulatory approvals

Delays in the regulatory process could hinder the Company's ability to pursue operational activities in a timely manner including drilling exploration and development wells, to install infrastructure, and to produce oil or gas. In particular, oil and gas operations in Italy are subject to both Regional and Federal approvals.

4. Exploration, development and production

The future value of the Company will depend on its ability to find, develop, and produce oil and gas that is economically recoverable. The ultimate success or otherwise of such ventures requires successful exploration, establishment of commercial reserves, establishment and successful effective production and processing facilities, transport and marketing of the end product. Through this process, the business is exposed to a wide variety of risks, including failure to locate hydrocarbons, change to reserve estimates or production volumes, variable quality of hydrocarbons, weather impacts, facility malfunctions, lack of access to appropriate skills or equipment and cost overruns.

5. Estimation of reserves

The estimation of oil and natural gas reserves involves subjective judgments and determinations based on geological, technical, contractual and economic information. It is not an exact calculation. The estimate may change because of new information from production or drilling activities.

6. Tenure security

Exploration licences held by the Company are subject to the granting and approval by relevant government bodies. Government regulatory authorities generally require the holder of the licences to undertake certain proposed exploration commitments and failure to meet these obligations could result in forfeiture. Exploration licences are also subject to partial or full relinquishments after the stipulated period of tenure if no alternative licence application (e.g. production concession application) is made, resulting in a potential reduction in the Company's overall tenure position. In order for production to commence in relation to any successful oil or gas well, it is necessary for a production concession to be granted.

7. Health, safety and environmental matters

Exploration, development and production of oil and gas involves risks which may impact the health and safety of personnel, the community and the environment. Industry operating risks include fire, explosions, blow outs, pipe failures, abnormally pressured formations and environmental hazards such as accidental spills or leakage of petroleum liquids, gas leaks, ruptures, or discharge of toxic gases. Failure to manage these risks could result in injury or loss of life, damage or destruction of property and damage to the environment. Losses or liabilities arising from such incidents could significantly impact the Company's financial results.

8. Climate Change

The Company recognises climate-related risks and the need for these to be managed effectively over time.

Key climate-related risks and opportunities relevant to the Company's operations include:

- (a) The transition to a low carbon economy through technological improvements and innovations that support a lower carbon energy efficient system with decreased demand and changing community sentiment for fossil fuels.
- (b) Physical changes caused by climate change include increased severe weather events and chronic changes to weather patterns which may impact demand for energy and the Company's development and production assets and production capability.
- (c) Policy changes by governments which may result in increasing regulation and costs which could have a material impact on the Company's operations.

In addition to the external and operating risks described above, the Company's ability to successfully develop future projects including their infrastructure is contingent on the Company's ability to fund those projects through operating cash flows and additional capital. There can be no assurance that capital or debt markets will be available to provide the necessary additional funding on recoverable term or at all.

International Offer Restrictions

This document does not constitute an offer of new ordinary shares ("**New Shares**") of the Company in any jurisdiction in which it would be unlawful. New Shares may not be offered or sold in any country outside Australia except to the extent permitted below.

Canada (Alberta)

This document constitutes an offering of the New Shares in the Canadian province of Alberta (the "Province") where existing shareholders of the Company are resident. This document is not, and under no circumstances is to be construed as, an advertisement or a public offering of securities in the Province.

No securities commission or other authority in the Province has reviewed or in any way passed upon this document, the merits of the New Shares and any representation to the contrary is an offence.

No prospectus has been, or will be, filed in the Province with respect to the offering of New Shares or the resale of such securities. Any person in the Province lawfully participating in the offer will not receive the information, legal rights or protections that would be afforded had a prospectus been filed and receipted by the securities regulator in the applicable Province.

Any resale of the New Shares in Canada must be made in accordance with applicable Canadian securities laws, which may require resales to be made in accordance with an exemption from prospectus requirements. Such resale restrictions do not apply to a first trade in a security (such as New Shares) of a foreign issuer (such as the Company) that is not a reporting issuer in Canada and that is made through an exchange or market outside of Canada (such as ASX).

The Company as well as its directors and officers may be located outside Canada and, as a result, it may not be possible for purchasers to effect service of process within Canada upon the Company or its directors or officers. All or a substantial portion of the assets of the Company and such persons may be located outside Canada and, as a result, it may not be possible to satisfy a judgment against the Company or such persons in Canada or to enforce a judgment obtained in Canadian courts against the Company or such persons outside Canada.

European Union (Italy, Netherlands)

This document has not been, and will not be, registered with or approved by any securities regulator in the European Union. Accordingly, this document may not be made available, nor may the New Shares be offered for sale, in any member state of the European Union except in circumstances that do not require a prospectus under Article 1(4) of Regulation (EU) 2017/1129 of the European Parliament and the Council of the European Union (the "Prospectus Regulation").

In accordance with Article 1(4) of the Prospectus Regulation, an offer of New Shares in each member state of the European Union is limited:

- (a) to persons who are "qualified investors" (as defined in Article 2(e) of the Prospectus Regulation);
- (b) to fewer than 150 natural or legal persons (other than qualified investors); or
- (c) in any other circumstance falling within Article 1(4) of the Prospectus Regulation.

Investors in the Netherlands should note:

International Offer Restrictions

This document does not constitute an offer of new ordinary shares ("**New Shares**") of the Company in any jurisdiction in which it would be unlawful. New Shares may not be offered or sold in any country outside Australia except to the extent permitted below.

United Kingdom

Neither this document nor any other document relating to the offer has been delivered for approval to the Financial Conduct Authority in the United Kingdom and no prospectus (within the meaning of section 85 of the Financial Services and Markets Act 2000, as amended ("FSMA")) has been published or is intended to be published in respect of the New Shares.

The New Shares may not be offered or sold in the United Kingdom by means of this document or any other document, except in circumstances that do not require the publication of a prospectus under section 86(1) of the FSMA. This document is issued on a confidential basis in the United Kingdom to fewer than 150 persons who are existing shareholders of the Company. This document may not be distributed or reproduced, in whole or in part, nor may its contents be disclosed by recipients, to any other person in the United Kingdom.

Any invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received in connection with the issue or sale of the New Shares has only been communicated or caused to be communicated and will only be communicated or caused to be communicated in the United Kingdom in circumstances in which section 21(1) of the FSMA does not apply to the Company.

In the United Kingdom, this document is being distributed only to, and is directed at, persons (i) who have professional experience in matters relating to investments falling within Article 19(5) (investment professionals) of the Financial Services and Markets Act 2000 (Financial Promotions) Order 2005 ("FPO"), (ii) who fall within the categories of persons referred to in Article 49(2)(a) to (d) (high net worth companies, unincorporated associations, etc.) of the FPO or (iii) to whom it may otherwise be lawfully communicated (together "relevant persons"). The investment to which this document relates is available only to relevant persons. Any person who is not a relevant person should not act or rely on this document.

United States

This document does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States. The New Shares have not been, and will not be, registered under the US Securities Act of 1933 or the securities laws of any state or other jurisdiction of the United States. Accordingly, the New Shares may not be offered or sold in the United States to existing shareholders of the Company except in transactions exempt from the registration requirements of the US Securities Act and applicable US state securities laws.

Appendix



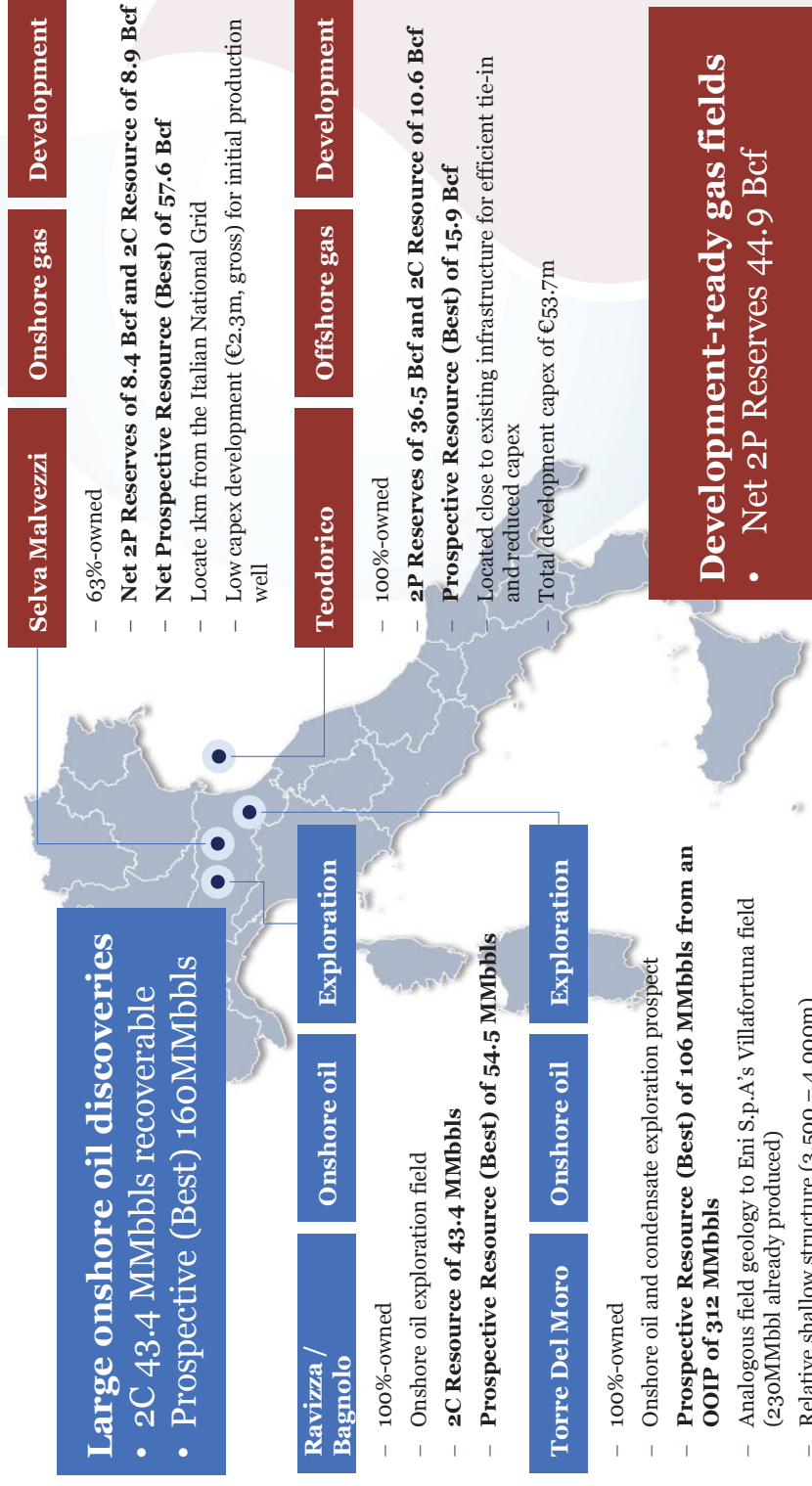
Reserves, Resources and Prospects (Net)

Gas (net Bcf)	Licence	Project	Reserves			Contingent Resources			Prospective Resources		
			1P	2P	3P	1C	2C	3C	Low	Best	High
AR94PY		Teodorico (out 12m zone)	26.7	36.5	47.5						
		Teodorico (in 12m zone)				7.4	10.6	14.0			
		PL3-C									
		Selva	2.6	8.4	18.8				7.9	15.9	25.0
Podere Gallina		Level A South				0.7	1.1	2.3			
		Level B North				2.2	5.6	11.2			
		Level B South				0.6	2.2	5.9			
		East Selva							18.3	21.9	25.6
		Riccardina							8.2	24.4	81.2
		Cembalina							1.3	2.1	3.0
Cadelbosco di Sopra		Fondo Perino							6.4	9.2	12.9
		Zini (Qu-B)				1.1	2.7	4.6			
		Canolo (Qu-A)				0.7	1.1	1.7			
		Canolo (Pliocene)				0.4	3.6	10.5			
		Zini Qu-A							0.6	1.4	2.4
Oil (net MMbbl)	Licence	Project	Reserves			Contingent Resources			Prospective Resources		
			1P	2P	3P	1C	2C	3C	Low	Best	High
Torre Del Moro		Torre del Moro							65.0	106.0	240.0
		Bagnolo in Piano				6.6	27.3	80.6			
Cadelbosco		Bagnolo in Piano									
		Bagnolo SW							22.1	54.5	112.0
Grattasasso		Ravizza				2.8	16.1	41.6			

Note: The Company confirms it is not aware of any information or data materially affects the information included in the original market announcements referred to in this announcement and, in the case of estimates for petroleum reserves, contingent resources and prospective resources, all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not materially modified from the original market announcement.

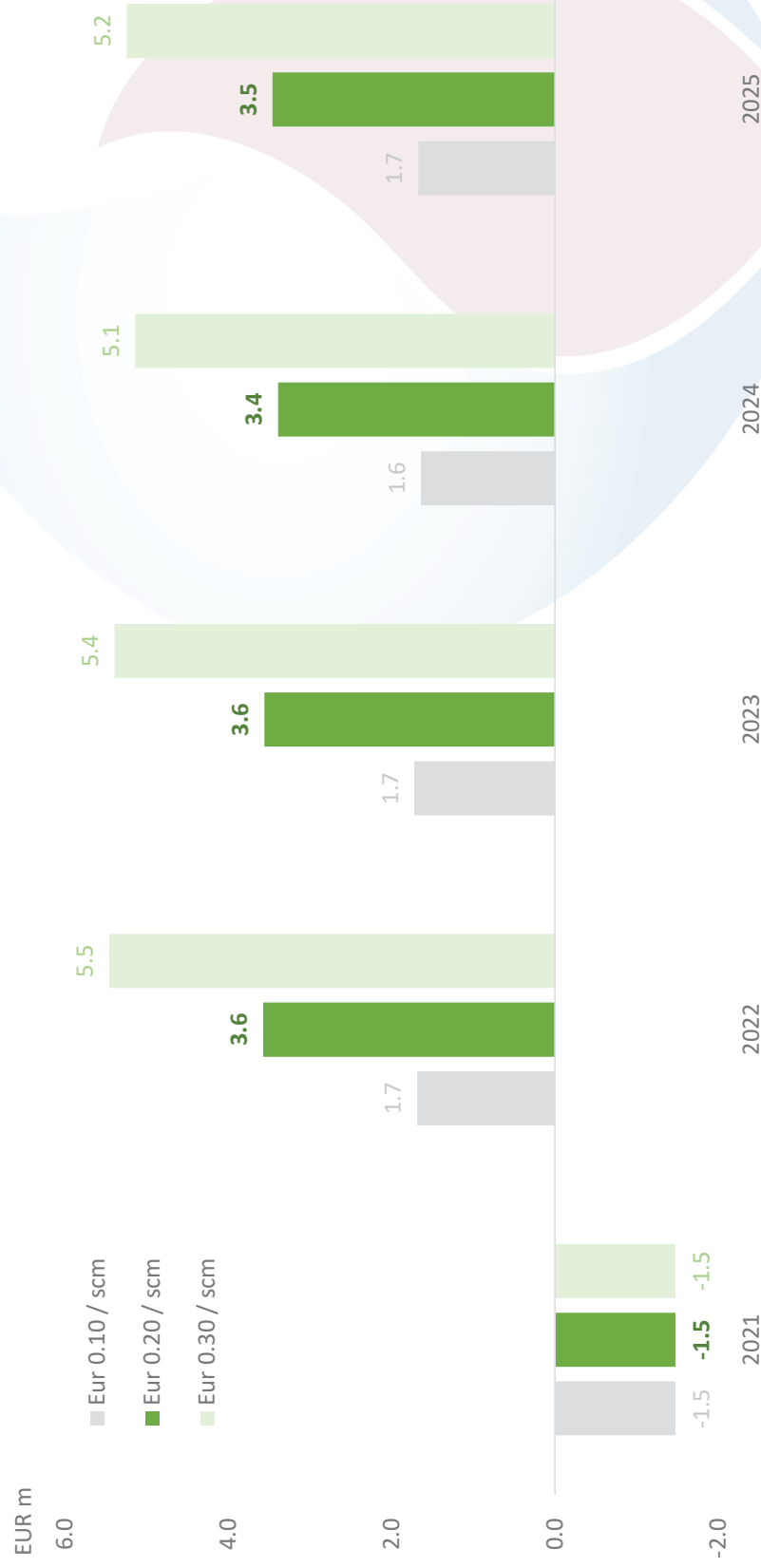
Source: CGG CPR (April 2019)

Portfolio Overview



Selva Malvezzi – Robust cashflows and return on investment

Net to PVE, Free Cash Flow Sensitivity Analysis (1st five years)

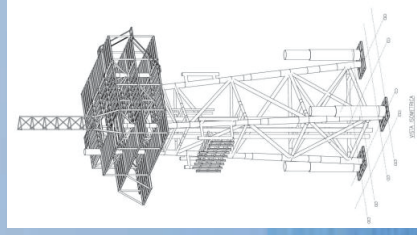


Source: Production profiles and Capex taken from CGG CPR (April 2019); then Free Cash Flows adjusted for different gas prices to assess sensitivity

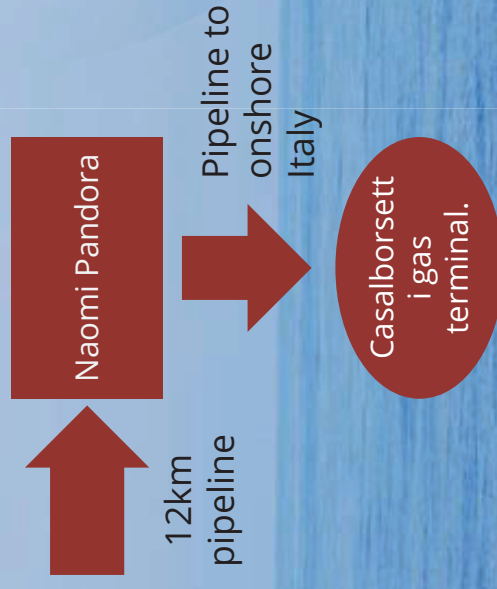
Teodorico – Development Concept

Future Development Plan

- Developed with 2 production wells in 30m water depth
 - Located 12 miles offshore from Ravenna
- First production is expected to commence in 2Q 2023
- Competitive capex total (€53.7m)
- Option for tie-in to the nearby Naomi-Pandora platform (operated by Eni S.p.A) through a 12km long pipeline
 - Naomi-Pandora will pipe the gas to the Casalborsetti gas terminal using existing infrastructure



Teodorico
Tripod



Platform pictured is not an asset of the Company