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ASX Announcement

19 August 2020

TERMS FOR LOANS OF AU\$500,000 AGREED

Australian oil and gas developer, Po Valley Energy Limited (ASX: PVE) advises that Directors and major shareholders have extended existing loan facilities by AU\$500,000 since 30 June 2020, to provide for sufficient flexibility and working capital over the coming months as the Company anticipates the final approval of its Selva gas field development project in northern Italy, in the December Quarter 2020.

Loan undertakings have been received from related parties and/or their associates and major shareholders with the following terms:

- a) The Company is not restricted on how it may utilise the funds, however the loans are intended for general working capital purposes;
- b) The loans have a maturity date of 31 December 2021;
- c) The Principal attracts interest of 10% per annum; and
- d) The funds will be drawn down in one tranche when the Company requests drawdown (expected to be within 10 days).

The Chief Executive Mr Michael Masterman said:

"The Company is very happy to have the support of Directors and major shareholders and to have negotiated these facilities particularly in what are uncertain times. This funding together with cost saving measures in light of operational delays and in conjunction with our response to COVID-19 will enable the Company to meet its working capital requirements.

The Board will undertake a more significant fund raising in the latter half of 2020 which will coincide with the anticipated granting of development approval for Selva."

This announcement has been authorised for release by Michael Masterman, Chairman

Media Contacts:

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