



ASX / Media Release:

10 May 2013

APPENDIX 3B & CONVERTIBLE NOTES

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- **Balance of Convertible Loan converted into shares**
 - **Aleator's securities to be re-instated to trading on the ASX**
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Aleator Energy Limited ("Aleator" or "the Company") (ASX: AWD) is pleased to advise that it has converted the remaining convertible loan amounts under the terms and conditions of the agreement. The amount of \$150,000 has been converted into 17,045,455 shares at 0.88 cents per share, representing a 20% discount to the recently announced Placement price.

Aleator expects to be re-instated to trading on the ASX at the market open on Monday 13th May 2013.

Please find attached to this announcement the relevant Appendix 3B for the previous placement and conversion announcement and this final conversion.

In accordance with the requirements of ASX listing rule 3.10.5A the following information is provided in relation to the attached Appendix 3B:

- The dilution to existing shareholders, as a result of the issue under Listing Rule 7.1A is 10%, dilution to existing shareholders as a result of the issue under Listing Rule 7.1 is 15% and the total dilution to existing shareholders as a result of the placement is 25%.

Details of the approximate percentage of the issued capital following the completion of the placement held by pre-placement shareholders and new shareholders are as follows:

Pre-placement shareholders who did not participate in the 7.1A placement	91%
Pre-placement shareholders who did participate in the 7.1A placement	2%
Participants in the 7.1A placement who were not previously shareholders	7%

- The Company issued the shares as a placement under Listing Rule 7.1A as it was of the view it was the most efficient mechanism to raise funds at the time and was the best option available to get the company re-instated to trading in the quickest possible time frame;
- No underwriting arrangements were in place for the placement; and
- The Company agrees to pay CPS Securities a Management Fee of 1%, plus GST and 5%, plus GST, where applicable, for all funds raised under the Placement.

Ends.

For further information please contact:

Mr Wal Muir
CEO - Aleator Energy Ltd
Email: wal@aleatorenergy.com.au
Mobile : 0413 052 327

Mr Mark Rowbottam
Non Exec. Director - Aleator Energy Ltd
Email: mark@aleatorenergy.com.au
Mobile : 0411 886 084

Technical information contained in this announcement was approved by Wal Muir, who has had more than 33 years experience in the practice of petroleum exploration. Wal Muir consents to the inclusion in this announcement of the information in the form and context in which it appears.

ABOUT ALEATOR ENERGY

Aleator Energy Limited is an active explorer for oil and gas with international operations based in Ukraine and the United States. The Company also retains mineral royalties in Australia.

The Povorotnoye Gas and Condensate Field in the Autonomous Region of Crimea, Ukraine, is part of the very attractive East European oil and gas rich sector. The project is located in the prolific "Foredeep" sector of the Azov Kuban Basin which straddles the highly productive gas and oil fields of the most western oil region in Russia and the eastern Crimean peninsula. OGIP (mean) of 132 BCF is currently calculated for the field.

The Golden Eagle Gas Field in Grand County Utah, USA, is located in the northern part of the Paradox Basin and contains a look-alike structure to the nearby Lisbon oil and gas field which has produced over 50 million of barrels of oil and 750BCF of gas. Golden Eagle has an estimated (P50) Discovered Gas Initially in Place (GIIP), of over 80 Billion Cubic Feet.

Johnston Range Iron Ore Royalties: The Company has an agreement with Cliffs Asia Pacific Iron Ore Pty Ltd ("Cliffs") with respect to its previously owned Johnston Range Iron Ore tenements in the Yilgarn region of Western Australia. Cliffs will pay Aleator a gross royalty of 2% on the iron ore sales from the tenements as well as a 2% gross royalty on the sale of all other minerals. It is expected that mining will commence in 2013.

Appendix 3B

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

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

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

Name of entity

ALEATOR ENERGY LIMITED

ABN

39 063 074 635

We (the entity) give ASX the following information.

Part 1 - All issues

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

- | | | |
|---|--|--|
| 1 | +Class of +securities issued or to be issued | (a) Ordinary Shares
(b) Ordinary Shares |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | (a) 88,068,182
(b) 247,391,391 |
| 3 | Principal terms of the +securities (eg, if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | (a) Fully paid
(b) Fully paid |

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

<p>4 Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?</p> <p>If the additional securities do not rank equally, please state:</p> <ul style="list-style-type: none"> • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment 	<p>(a) Yes (b) Yes</p>
<p>5 Issue price or consideration</p>	<p>(a) \$0.0088 each (b) \$0.011 each</p>
<p>6 Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)</p>	<p>(a) Shares to be allotted under Convertible Loan Agreement and issued under the company's 15% existing placement capacity under Rule 7.1. (b) Shares issued under the company's remaining available share placement capacity under Rule 7.1, as well as the 10% available under Rule 7.1A, for working capital purposes.</p>
<p>6a Is the entity an +eligible entity that has obtained security holder approval under rule 7.1A?</p> <p>If Yes, complete sections 6b – 6h in relation to the +securities the subject of this Appendix 3B, and comply with section 6i</p>	<p>Yes</p>
<p>6b The date the security holder resolution under rule 7.1A was passed</p>	<p>30 November 2012</p>
<p>6c Number of +securities issued without security holder approval under rule 7.1</p>	<p>201,281,744</p>

+ See chapter 19 for defined terms.

6d	Number of +securities issued with security holder approval under rule 7.1A	134,177,829						
6e	Number of +securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)	Nil						
6f	Number of securities issued under an exception in rule 7.2	Nil						
6g	If securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the issue date and both values. Include the source of the VWAP calculation.	<p>Yes Securities suspended since 10/9/2012. Date of issue: 10 May 2013 15 Day VWAP before issue date: \$0.0146 75% of 15 Day VWAP: \$0.01095 Source: Commsec</p>						
6h	If securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements	n/a						
6i	Calculate the entity's remaining issue capacity under rule 7.1 and rule 7.1A – complete Annexure 1 and release to ASX Market Announcements	10,000						
7	Dates of entering +securities into uncertificated holdings or despatch of certificates	10 May 2013						
8	Number and +class of all +securities quoted on ASX (including the securities in section 2 if applicable)	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 50%;">Number</th> <th style="width: 50%;">+Class</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">1,677,337,864</td> <td>Ordinary Fully Paid Shares</td> </tr> <tr> <td style="text-align: center;">1,308,075,939</td> <td>Options exercisable at \$0.02 and expiring 31 January 2015</td> </tr> </tbody> </table>	Number	+Class	1,677,337,864	Ordinary Fully Paid Shares	1,308,075,939	Options exercisable at \$0.02 and expiring 31 January 2015
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1,677,337,864	Ordinary Fully Paid Shares							
1,308,075,939	Options exercisable at \$0.02 and expiring 31 January 2015							

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	Number	+Class
9	Number and +class of all +securities not quoted on ASX (including the securities in section 2 if applicable)	11,000,000 Options exercisable at \$0.02 and expiring 31 January 2015
10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	No dividend policy established as the Company is still in exploration phase

Part 2 - Bonus issue or pro rata issue

11	Is security holder approval required?	Not Applicable
12	Is the issue renounceable or non-renounceable?	
13	Ratio in which the +securities will be offered	
14	+Class of +securities to which the offer relates	
15	+Record date to determine entitlements	
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	
17	Policy for deciding entitlements in relation to fractions	
18	Names of countries in which the entity has +security holders who will not be sent new issue documents <small>Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.</small>	

+ See chapter 19 for defined terms.

19	Closing date for receipt of acceptances or renunciations	
20	Names of any underwriters	
21	Amount of any underwriting fee or commission	
22	Names of any brokers to the issue	
23	Fee or commission payable to the broker to the issue	
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of +security holders	
25	If the issue is contingent on +security holders' approval, the date of the meeting	
26	Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled	
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	
28	Date rights trading will begin (if applicable)	
29	Date rights trading will end (if applicable)	
30	How do +security holders sell their entitlements <i>in full</i> through a broker?	
31	How do +security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	
32	How do +security holders dispose of their entitlements (except by	

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sale through a broker)?

33 +Despatch date

Part 3 - Quotation of securities

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

34 Type of securities
(tick one)

(a) Securities described in Part 1

(b) All other securities

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

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

Not applicable

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

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

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

Entities that have ticked box 34(b)

38 Number of securities for which +quotation is sought

+ See chapter 19 for defined terms.

39 Class of +securities for which quotation is sought

40 Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?

If the additional securities do not rank equally, please state:

- the date from which they do
- the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment
- the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment

41 Reason for request for quotation now

Example: In the case of restricted securities, end of restriction period

(if issued upon conversion of another security, clearly identify that other security)

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

Quotation agreement

- 1 +Quotation of our additional +securities is in ASX’s absolute discretion. ASX may quote the +securities on any conditions it decides.
- 2 We warrant the following to ASX.
 - The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.

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- There is no reason why those +securities should not be granted +quotation.
- An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

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

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
 - If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.
- 3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.
- 4 We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.



Sign here:
(Company secretary)

Date: 10/05/2013

Print name: Ranko Matic

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+ See chapter 19 for defined terms.

Appendix 3B – Annexure 1

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

Introduced 01/08/12

Part 1

Rule 7.1 – Issues exceeding 15% of capital	
Step 1: Calculate “A”, the base figure from which the placement capacity is calculated	
Insert number of fully paid ordinary securities on issue 12 months before date of issue or agreement to issue	1,158,544,959
<p>Add the following:</p> <ul style="list-style-type: none"> • Number of fully paid ordinary securities issued in that 12 month period under an exception in rule 7.2 • Number of fully paid ordinary securities issued in that 12 month period with shareholder approval • Number of partly paid ordinary securities that became fully paid in that 12 month period <p><i>Note:</i></p> <ul style="list-style-type: none"> • <i>Include only ordinary securities here – other classes of equity securities cannot be added</i> • <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i> 	<p style="text-align: right;">Nil</p> <p style="text-align: right;">30,555,558 (T1, 29/6/12)</p> <p style="text-align: right;">152,777,774 (T2, 6/7/12)</p>
Subtract the number of fully paid ordinary securities cancelled during that 12 month period	Nil
“A”	1,341,878,291

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Step 2: Calculate 15% of “A”	
“B”	0.15 <i>[Note: this value cannot be changed]</i>
Multiply “A” by 0.15	201,281,744
Step 3: Calculate “C”, the amount of placement capacity under rule 7.1 that has already been used	
<p>Insert number of equity securities issued or agreed to be issued in that 12 month period <i>not counting</i> those issued:</p> <ul style="list-style-type: none"> • Under an exception in rule 7.2 • Under rule 7.1A • With security holder approval under rule 7.1 or rule 7.4 <p><i>Note:</i></p> <ul style="list-style-type: none"> • <i>This applies to equity securities, unless specifically excluded – not just ordinary securities</i> • <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i> 	<p>88,068,182 (per Convertible Loan Agrmt 10/5/13)</p> <p>113,213,562 (part 10/5/13)</p>
“C”	201,281,744
Step 4: Subtract “C” from [“A” x “B”] to calculate remaining placement capacity under rule 7.1	
<p>“A” x 0.15</p> <p><i>Note: number must be same as shown in Step 2</i></p>	201,281,744
<p>Subtract “C”</p> <p><i>Note: number must be same as shown in Step 3</i></p>	201,281,744
<p>Total [“A” x 0.15] – “C”</p>	<p>0</p> <p><i>[Note: this is the remaining placement capacity under rule 7.1]</i></p>

+ See chapter 19 for defined terms.

Part 2

Rule 7.1A – Additional placement capacity for eligible entities	
Step 1: Calculate “A”, the base figure from which the placement capacity is calculated	
“A” <i>Note: number must be same as shown in Step 1 of Part 1</i>	1,341,878,291
Step 2: Calculate 10% of “A”	
“D”	0.10 <i>Note: this value cannot be changed</i>
Multiply “A” by 0.10	134,187,829
Step 3: Calculate “E”, the amount of placement capacity under rule 7.1A that has already been used	
Insert number of equity securities issued or agreed to be issued in that 12 month period under rule 7.1A <i>Notes:</i> <ul style="list-style-type: none"> • <i>This applies to equity securities – not just ordinary securities</i> • <i>Include here – if applicable – the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>Do not include equity securities issued under rule 7.1 (they must be dealt with in Part 1), or for which specific security holder approval has been obtained</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i> 	134,177,829 (balance 10/5/13)
“E”	134,177,829

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Step 4: Subtract "E" from ["A" x "D"] to calculate remaining placement capacity under rule 7.1A	
"A" x 0.10 <i>Note: number must be same as shown in Step 2</i>	134,187,829
Subtract "E" <i>Note: number must be same as shown in Step 3</i>	134,177,829
Total ["A" x 0.10] – "E"	10,000 <i>Note: this is the remaining placement capacity under rule 7.1A</i>

+ See chapter 19 for defined terms.