

RED SKY SHARE PURCHASE PLAN CLOSES TOMORROW

HIGHLIGHTS

- **Share Purchase Plan Underway**
- **Funds to be applied to further expansion and development of the Killanoola Oil Project**

Australian Oil and Gas explorer and developer, Red Sky Energy (ROG: ASX) (Red Sky or the Company) reminds shareholders that the share purchase plan (SPP) closes tomorrow 31 August at 5:00pm (AEST). The SPP allows existing eligible shareholders the opportunity to subscribe for Red Sky shares at the same price as offered under the recent Placement. Further details are set out below.

Funds raised under the Placement and SPP in combination, will be applied to further development and fast tracking of the Killanoola Oil Project, including but not limited to further expanded seismic acquisition and additional drilling in the wider project area at Killanoola, as well as for assessing new opportunities working capital and to meeting the costs of the Placement and the SPP.

The Key Dates for the SPP are as follows:

SPP Record Date (7:00pm Melbourne time)	6 August 2021
SPP opening date and date of SPP Offer Booklet	11 August 2021
SPP Closing Date (5:00pm Melbourne time)	31 August 2021
Announcement of results of SPP and issue date	2 September 2021
Commencement of trading of SPP shares on ASX	3 September 2021

The above timetable (other than the SPP Record Date) is indicative only and may be changed by the Company.

Full details of the SPP are set out in the SPP Offer Booklet which was released to the ASX and sent to shareholders on [11 August 2021](#). Shareholders can download their individual SPP application forms via the Red Sky share registry at www.advancedshare.com.au and pay via B-PAY prior to the closing date and time tomorrow.

Share Purchase Plan (SPP)

The Company launched the Share Purchase Plan (SPP) to allow the holders of Red Sky shares at 7:00pm (Melbourne time) on 6 August 2021 (SPP Record Date) whose registered address is in Australia or New Zealand and are eligible to participate in the SPP (eligible shareholders) the opportunity to subscribe for Red Sky shares at the same price as offered under the Placement.

Under the SPP, eligible shareholders are able to apply for up to \$30,000 worth of fully paid ordinary Red Sky shares (SPP Shares) at \$0.008 (0.8 cents) per SPP Share. The Company proposes raising up to \$4 million before costs (500,000,000 SPP Shares) under the SPP, however the Board may at its discretion accept oversubscriptions (subject to compliance with applicable law including the Listing Rules and ASIC Instrument 2019/547). There is no minimum subscription amount under the SPP.

The issue price per SPP Share represents a 20.0% discount to the last closing price of Red Sky shares on 4 August 2021 (being the last trading day of Red Sky shares prior to this announcement) and a 20% discount to the 5 day volume weighted average price of the shares of the Company at that date.

If total applications exceed the maximum amount to be raised (following acceptance of oversubscriptions, if any, and subject to the Board's discretion to expand the SPP as set out above), the Company may scale back the number of SPP Shares issued in response to an application on a pro rata basis at the discretion of the Board based on the size of the applicant's holding as at the Record Date.

The Company reserves the right to place any shortfall to sophisticated, professional and other exempt investors (who may include existing shareholders), subject to compliance with applicable laws.

-ENDS-

Released with the authority of the board.

For further information on the Company and our projects, please visit:

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About The Killanoola Project

The Killanoola oilfield was discovered by the Killanoola-1 well in 1998 at a depth of 850 metres. The oil is a 34° API waxy crude. Previous flow tests of the well have recorded rates of up to 300 bopd. A petrophysical report commissioned by Red Sky on the Killanoola-1DW-1 well identified potentially 37 metres of additional oil bearing pay zones within the 149 metre thick Sawpit Sandstone. This evaluation adds significantly to the currently perforated pay zone of 5 metres. Red Sky is now working to revise the work programme to include testing of the newly identified pay zones. ([See ASX Announcement 6 May 2021](#))

These results followed the recent exceptional result of 16m of Net Pay for the Killanoola SE-1 well. ([See ASX Announcement 22 March 2021](#)). Red Sky is preparing to perforate and test these newly identified pay potential zones in the wells. Planning is underway in line with our forward programme. This testing, if successful, will allow Red Sky to book reserves associated with Killanoola-1DW-1 and Killanoola SE -1.