

24 September 2019

## COMPLETION OF TRANSACTION WITH GEMINI RESOURCES 35% EARN IN TO ONSHORE OIL & GAS ASSETS IN POLAND

### Completion of Transaction

Pura Vida Energy NL (**PVD** or the **Company**) (to be renamed "Ansila Energy NL") is pleased to announce that it has successfully completed its transaction with Gemini Resources Limited (**Gemini** or **GRL**) and will now proceed to earn into the Gora and Nowa Sol projects (together the **Projects**) for a 35% interest by spending a total of A\$6.15m<sup>1</sup> on those concessions.

Work programmes will now proceed on the Projects to test significant oil & gas targets identified by Netherland Sewell & Associates, Inc. in a proven basin, focussed on fracture stimulation and flow testing of existing wells.

The work programmes on the Projects are designed to unlock and prove the commercial viability of two potentially large unconventional resources plays:

- **Siciny-2 (Gora):** Targeting 2C contingent resources of 1.6 Tcf<sup>2</sup> (circa 270 MMboe) of unconventional gas in an extensive Carboniferous structure scheduled for completion in November/December 2019; and
- **Jany-C1 (Nowa Sol):** Targeting 2C contingent resources of 36 MMbbls<sup>2</sup> of oil within tight Zechstein Dolomite formation scheduled for completion in Q2 2020.

In addition, PVD has the option to drill several conventional prospects, targeting the Rotliegendes reservoir, with aggregate prospective (P50) resources of 210 Bcf<sup>2</sup>. These prospects are located adjacent to the proven, producing Rawicz (100 Bcf) and Zalcze-Wiewierz (900 Bcf) gas fields and offer PVD additional upside on the Gora Concession which is de-risked due to 3D seismic coverage and surrounding well control from surrounding fields. Estimated completed well costs attributable are US\$1.3 million.

### Executive Director Appointments

As a consequence of completion of the transaction, Dr Andrew Matharu and Mr Christopher Lewis

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<sup>1</sup> Based on an exchange rate of 1AUD: 0.55GBP or 1AUD: 0.71USD

<sup>2</sup> Volume estimates are from Netherland, Sewell & Associates, Inc, report entitled "Estimates of Reserves and Future Revenue and Contingent Resources and Cash Flow to the Gemini Resources Ltd Interest and Gross (100%) Prospective Resources in Certain Oil & Gas Properties located in the Nowa Sol and Gora Concessions Permian Basin, Onshore Poland as of May 1, 2019" (**Report**).

have now been appointed to the board of PVD, Dr Matharu as Executive Director and Mr Lewis as Technical Director.

#### ***Dr Andrew Matharu***

Andrew Matharu is an oil & gas sector professional with over 24 years' experience and commenced his career as a Petroleum Engineer with Chevron and Kerr-McGee Oil working in the UK North Sea.

Following a move into oil & gas investment banking he has acquired extensive experience of advising small and mid-cap oil & gas companies in the area of equity capital markets following a variety of corporate finance and institutional equity roles at JP Morgan-Cazenove, Bridgwell Securities, Numis and Westhouse Securities. His most recent role was in corporate and business development with the Africa-focussed AIM-listed explorer, Tower Resources plc, where he was involved in several corporate and asset M&A transactions and capital raisings.

Andrew holds a BEng(Hons) degree in Chemical Engineering from the University of Sheffield, a PhD in Chemical Engineering from the University of Cambridge and is a Chartered Engineer.

#### ***Mr Christopher Lewis***

Christopher Lewis is a geophysicist with over 25 years oil & gas experience. Chris has held senior technical and executive positions for the last 15 years, has managed E&P operations in Europe and Africa, and was the CEO and founder of a Romanian focussed E&P company from 2005 to 2009. Chris was VP Exploration for Centric Energy in 2010, during which time the company was awarded a highly prospective license onshore Kenya, secured an attractive farm-out to Tullow Oil and eventually sold the company to Africa Oil Corp. Chris has also been involved in other successful ventures including Lion Petroleum which was reversed into a TSX listed entity and Blackstar Exploration, sold to Impact Oil and Gas.

Chris also has very broad operational experience with exploration and development projects, planning and executing seismic acquisition programs, planning and delivering well workovers and drilling of new wells. As a geophysicist has expertise in 2D/3D seismic interpretation, velocity modelling and depth conversion, quantitative seismic interpretation, exploration workflows from basin scale evaluations to prospect generation, appraisal and development planning, volumetric estimations, risking, reserves estimation and A&D evaluations.

Chris has authored and presented a course on quantitative seismic interpretation and papers on geostatistical depth conversion and seismic inversion and is experienced in new ventures initiation, evaluation and negotiation, and exploration and subsurface management.

#### **Terms of Appointment**

The material terms of the agreements with the new directors are as follows:

The Company has entered into consultancy agreements with Firmitas Energy Advisers Limited (on behalf of its nominated person Dr Matharu) and Lewis Petroleum Consulting Limited (on behalf of its

nominated person Mr Lewis) (both referred to herein as the **Consultant**) (**Executive Service Agreements** or **ESAs**).

Under the terms of the ESAs, the Consultants and their nominated persons will provide services to the Company including formulating strategies to promote and improve the performance of the Company and implementing strategic and tactical plans to achieve the Company's goals. Mr Lewis will be appointed to the Board as Technical Director and Dr Matharu will be appointed as Executive Director on and from Completion. The ESAs do not prevent or restrict the Consultants or their nominated persons providing services of any kind to any other person except where those services will be in conflict with the best interests of the Company or may adversely affect the ability of the Consultants or their nominated persons from providing the services in accordance with the ESAs.

The Company commits to pay to each Consultant a guaranteed and fixed retainer amount per calendar month of £9,000 which is equivalent to 80 hours of work. The retainer is payable regardless of the hours worked by the Consultant. Any hours worked by the Consultant in excess of 80 hours in any calendar month will be charged at the rate of £900 per day (reduced on a pro rata basis if less than eight (8) hours is worked in a day) and will require the prior written consent of the Company.

The fees payable to the Consultants are deemed to be inclusive of Director fees payable to their nominated persons, and all other amounts in respect of wages, superannuation, bonuses and other costs associated with payments made by the Consultant to their personnel.

The Company will also reimburse the Consultants' reasonable travelling, accommodation and general expenses incurred by the Consultants (or their respective nominated persons) in the performance of their duties under the ESAs. Any item of expense in excess of £1,000 requires the prior written approval of the Company.

In addition, the Company agrees to grant to each Consultant (or their respective nominated person) at Completion, a total of 12,133,741 Performance Rights to be issued under the Company's Performance Rights Plan which will otherwise have the same terms and conditions as all other Performance Rights to be issued pursuant to the transaction.

Furthermore, the Company agrees to issue to each Consultant (or their respective nominated person) at Completion, a total of 1,666,667 Shares in consideration for introducing and facilitating the transaction.

Either the Consultant or the Company may terminate the applicable ESA by giving the other party three (3) months' written notice. The Company may also terminate the ESA in certain circumstances for cause by giving one (1) month's written notice, or in the case of material breaches of the ESA, without notice. All fees accrued and owing up to the point of termination and in respect of any valid

notice period will be due and payable to the Consultant and may be paid in lieu of the applicable notice period.

The ESAs are governed by and construed in accordance with the laws of Western Australia.

### **Entitlement Issue**

The Company is currently undertaking a non-renounceable entitlements issue to offer a total of approximately 151,783,212 Shares to shareholders on a 1:2 basis at an issue price of A\$0.018 per Share to raise approximately A\$2,732,098 (before costs) (**Entitlement Issue**), fully underwritten by CPS Capital Group Pty Ltd. Offers pursuant to the Entitlement Issue are currently set to close on 30 September 2019.

At the conclusion of the Entitlement Issue, the Company plans to effect the name change to "Ansila Energy NL" and its ASX 'ticker' code will be "ANA" going forward. The change of name was recently approved by Shareholders at the Company's general meeting held on 2 September 2019.

**-Ends-**

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### **CONTACT**

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