

88 ENERGY LIMITED

ACN 072 964 179

OFFER DOCUMENT

For a pro rata non-renounceable Rights Issue to Eligible Shareholders and Eligible Depositary Interest Holders on the basis of one (1) New Share for every ten (10) existing Shares (or Depositary Interests in respect of Shares) held by Eligible Shareholders or Eligible Depositary Interest Holders on the Record Date at an issue price of A\$0.006/£0.0031 per New Share to raise approximately A\$12,000,000/£6,296,400 (based on the Exchange Rate) (before costs) (**Offer**).

The Offer opens on Wednesday, 9 August 2023 and closes at 5:00pm (AWST) on Tuesday, 22 August 2023 for Eligible Shareholders and 11:00am (BST) on 22 August 2023 for Eligible Depositary Interest Holders (unless in each case it is lawfully extended). Valid acceptances must be received before that time.

Applications for New Shares by Eligible Shareholders can only be made by using or following the instructions on an Entitlement and Acceptance Form, as sent with this Offer Document. The Entitlement and Acceptance Form sets out the Eligible Shareholders' Entitlement to participate in the Offer.

Eligible Depositary Interest Holders will have received a credit of Entitlements to their CREST stock accounts and are referred to Section 5 and also the CREST Manual for further information on the CREST procedures to accept the Offer.

Please read the instructions in this Offer Document and (for Eligible Shareholders) on the accompanying Entitlement and Acceptance Form.

This document is not a prospectus and does not contain all of the information that an investor may require in order to make an informed investment decision regarding the New Shares offered by this document.

The New Shares offered by this Offer Document should be considered as speculative.

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1. IMPORTANT INFORMATION

No person is authorised to give any information or to make any representation in connection with the Offer which is not contained in this Offer Document. Any information or representation not so contained may not be relied on as having been authorised by the Company in connection with the Offer.

1.1 This document is not a prospectus

This Offer Document is dated 31 July 2023, has been prepared by 88 Energy Limited and is for a rights issue of continuously quoted securities (as defined in the Corporations Act) of the Company. This Offer Document is not a prospectus under the Corporations Act and has not been lodged with the ASIC. It does not contain all of the information that an investor would find in a prospectus or which may be required in order to make an informed investment decision regarding, or about the rights attaching to, the Shares offered by this document.

This Offer Document, including each of the documents attached to it and which form part of this Offer Document, are important and should be read in their entirety prior to making an investment decision. In particular, Shareholders and Depositary Interest Holders should refer to the risk factors set out in Section 6 of this document. If you do not fully understand this Offer Document or are in any doubt as to how to deal with it, you should consult your professional adviser.

1.2 Section 708AA of the Corporations Act

This Offer Document has been prepared in accordance with section 708AA of the Corporations Act and applicable ASIC Corporations (Non-Traditional Rights Issue) Instrument 2016/84 (**ASIC Instrument 2016/84**). In general terms, section 708AA permits certain companies to undertake rights issues without being required to use or provide to shareholders a prospectus or other disclosure document. Accordingly, the level of disclosure in this Offer Document is significantly less than the level of disclosure required in, and what you would expect in, a prospectus. Eligible Shareholders and Eligible Depositary Interest Holders should rely on their own knowledge of the Company, refer to disclosures made by the Company to ASX and/or a Regulatory Information Service in the United Kingdom, and consult their professional advisers before deciding to accept the Offer.

1.3 Eligibility

A person (an **Eligible Shareholder** or **Eligible Depositary Interest Holder**) will be eligible to participate in the Offer only if:

- (a) the person was a registered holder of Shares (or Depositary Interests) at the relevant Record Date;
- (b) the person's registered address is in Australia, New Zealand or the United Kingdom; and
- (c) the person is not located in the United States and is not a US Person or acting for the account of or benefit of a person in the United States or a US Person.

The Company reserves the right to determine whether a Shareholder is an Eligible Shareholder or an Ineligible Shareholder, and whether a Depositary Interest Holder is an Eligible Depositary Interest Holder or an Ineligible Depositary Interest Holder.

If you have Depository Interests and have received a credit of Entitlements to your CREST stock account, please refer to Section 5 and also the CREST Manual for further information on the CREST procedures referred to below.

Shareholders and Depository Interest Holders are also referred to Section 1.4 (*Overseas Shareholders and Depository Interest Holders*), below.

Applications for Shares by Eligible Shareholders can only be made on an original Entitlement and Acceptance Form, as sent with this Offer Document. The Entitlement and Acceptance Form sets out an Eligible Shareholder's Entitlement to participate in the Offer.

Eligible Depository Interest Holders will have received a credit of Entitlements to their CREST stock accounts and are referred to Section 5 and also the CREST Manual for further information on the CREST procedures.

1.4 Overseas Shareholders and Depository Interest Holders

This Offer Document does not, and is not intended to, constitute an offer in any place or jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer or to issue this Offer Document.

The Offer is not being extended and Shares will not be issued to Shareholders or Depository Interest Holders with a registered address which is outside Australia, New Zealand or the United Kingdom. It is not practicable for the Company to comply with the securities laws of overseas jurisdictions (other than those mentioned above) having regard to the number of overseas Shareholders and Depository Interest Holders, the number and value of Shares these Shareholders and Depository Interest Holders would be offered and the cost of complying with regulatory requirements in each relevant jurisdiction.

United States Shareholders and Depository Interest Holders

This Offer does not constitute an offer in the United States of America, nor does it constitute an offer to a person who is a US Person or someone who is acting on behalf of a US Person.

The Shares have not been, and will not be, registered under the US Securities Act 1933 and may not be offered or sold in the United States of America, or to, or for the account or benefit of, US Persons (as defined in Rule 902 under the US Securities Act) except under an available exemption from registration under the US Securities Act. These Shares may only be resold or transferred if registered under the US Securities Act or pursuant to an exemption from registration under the US Securities Act and in compliance with state securities laws. The Company is under no obligation and has no intention to register the Shares in the United States of America.

Further detail in relation to foreign jurisdictions is set out in this Offer Document.

New Zealand Shareholders and Depository Interest Holders

The Offer is being made in New Zealand pursuant to the Financial Markets Conduct (Incidental Offers) Exemption Notice 2021 (New Zealand).

Shareholders or Depository Interest Holders resident in Australia or New Zealand holding Shares or Depository Interests on behalf of persons who are resident overseas are responsible for ensuring that taking up an Entitlement under the Offer does not breach regulations in the relevant overseas jurisdiction. Return of a duly

completed Entitlement and Acceptance Form or taking up any entitlement credited to a stock account within CREST will be taken by the Company to constitute a representation that there has been no breach of those regulations.

United Kingdom Shareholders and Depositary Interest Holders

The total consideration under the Offer shall be less than, and therefore cannot exceed, €8 million (or an equivalent pounds sterling amount) in aggregate and so, in accordance with Section 85 and Schedule 11A of FSMA, the Offer does not require the issue of a prospectus in the United Kingdom for the purposes of the Prospectus Regulation Rules. The Offer does not constitute an offer to the public requiring an approved prospectus under section 85 of FSMA and accordingly this Offer Document does not constitute a prospectus for the purposes of the Prospectus Regulation Rules. This document has not been, and will not be, reviewed or approved by the FCA pursuant to sections 85 of FSMA, the London Stock Exchange or any other authority or regulatory body in the United Kingdom. Accordingly, this Offer Document does not contain the extent of the information and disclosures that would typically be included in a UK prospectus.

The communication of this Offer Document, the Entitlement and Acceptance Form, and any other documents, announcements or other materials relating to the Offer, as a financial promotion has not been approved for the purposes of section 21 of FSMA and, within the United Kingdom, is only being made to, and may only be acted upon by, those persons falling within Article 43 of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended, which includes existing members of 88 Energy Limited. Within the United Kingdom, any investment or investment activity to which this Offer Document, the Entitlement and Acceptance Form, and any other documents, announcements or other materials relating to the Offer relates is available only to such persons and will be engaged in only with such persons.

1.5 Notice to nominees and custodians

Shareholders or Depositary Interest Holders resident in Australia, New Zealand or the United Kingdom holding Shares on behalf of persons who are resident overseas are responsible for ensuring that taking up an Entitlement under the Offer does not breach regulations in the relevant overseas jurisdiction. Return of a duly completed Entitlement and Acceptance Form or taking up any entitlement credited to a stock account within CREST will be taken by the Company to constitute a representation that there has been no breach of those regulations.

Eligible Shareholders or Eligible Depositary Interest Holders who are nominees, trustees and custodians are therefore advised to seek independent advice as how they should proceed. Failure to comply with restrictions set out in this Offer Document may result in violations of applicable securities laws.

1.6 Forward-looking statements

This Offer Document contains forward-looking statements which are identified by words such as 'may', 'could', 'believes', 'estimates', 'targets', 'expects', or 'intends' and other similar words that involve risks and uncertainties.

These statements are based on an assessment of present economic and operating conditions, and on a number of assumptions regarding future events and actions that, as at the date of this Offer Document, are expected to take place.

Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of our Company, the Directors and our management.

We cannot and do not give any assurance that the results, performance or achievements expressed or implied by the forward-looking statements contained in this Offer Document will actually occur and investors are cautioned not to place undue reliance on these forward-looking statements.

We have no intention to update or revise forward-looking statements, or to publish prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained in this Offer Document, except where required by law.

These forward looking statements are subject to various risk factors that could cause our actual results to differ materially from the results expressed or anticipated in these statements. These risk factors are set out in Section 6 of this Offer Document.

1.7 Privacy Act

If you complete an Entitlement and Acceptance Form or take up any entitlement credited to a stock account within CREST, you will be providing personal information to the Company (directly or by the Company's share registry or Depository). The Company collects, holds and uses that information to assess your application, service your needs as a Shareholder or Depository Interest Holder, facilitate distribution payments and corporate communications to you as a Shareholder and carry out administration.

The information may also be used from time to time and disclosed to persons inspecting the register, bidders for your securities in the context of takeovers, regulatory bodies, including the Australian Taxation Office, authorised securities brokers, print service providers, mail houses and the Company's share registry.

You can access, correct and update the personal information that we hold about you. Please contact the Company or its share registry if you wish to do so at the relevant contact numbers set out in this Offer Document.

Collection, maintenance and disclosure of certain personal information is governed by legislation including the Privacy Act 1988 (Cth) (as amended), the Corporations Act and certain rules such as the ASX Settlement Operating Rules. You should note that if you do not provide the information required on the Entitlement and Acceptance Form, the Company may not be able to accept or process your application.

2. CORPORATE DIRECTORY

Directors

Philip Byrne
Non-Executive Chairman

Ashley Gilbert
Managing Director

Joanne Kendrick
Non-Executive Director

Dr Stephen Staley
Non-Executive Director

Company Secretary

Sarah Smith

Registered Office

Ground Floor
516 Hay Street
Subiaco WA 6008
AUSTRALIA

Telephone: + 61 8 9485 0990
Facsimile: +61 8 9321 8990
General Enquiries:
<https://88energy.com/contact-us/>

Website: <https://88energy.com/>

Auditor*

BDO Audit (WA) Pty Ltd
Level 9, Mia Yellagonga Tower 2
5 Spring Street
Perth WA 6000
AUSTRALIA

Australian Share Registry*

Computershare Investor Services Pty
Limited
GPO BOX 52
Melbourne Victoria 3001
AUSTRALIA

Telephone: 1300 850 505 (within Australia)
or + 61 3 9415 4000 (outside Australia)

UK Registry and Receiving Agent*

Computershare Investor Services PLC
The Pavilions
Bridgwater Road
Bristol BS13 8AE
UNITED KINGDOM

Legal Advisers

Australia

Steinepreis Paganin
Lawyers and Consultants
Level 4, The Read Buildings
16 Milligan Street
PERTH WA 6000

United Kingdom

Bird & Bird LLP
12 New Fetter Lane
London EC4A 1JP

*These parties have been included for information purposes only. They have not been involved in the preparation of this Offer Document.

3. DETAILS OF THE OFFER

3.1 The Offer

The Offer is being made as a non-renounceable entitlement offer of one (1) New Share for every ten (10) Shares held by Eligible Shareholders (or in respect of which Depository Interests are held by Eligible Depository Interest Holders) registered at the relevant Record Date at an issue price of A\$0.006 per Share. Fractional entitlements will be rounded up to the nearest whole number.

Based on the capital structure of the Company as set out in Section 3.8 of this Offer Document, a maximum of approximately 2,010,786,822 Shares will be issued pursuant to this Offer to raise up to approximately \$12 million/£6,296,400 (based on the Exchange Rate).

As at the date of this Offer Document, the Company has 251,000,000 Options on issue all of which may be exercised prior to the Record Date in order to participate in the Offer.

All of the Shares offered under this Offer Document will rank equally with the Shares on issue at the date of this Offer Document.

The Offer is made to Eligible Shareholders and Eligible Depository Interest Holders only.

The Directors may at any time decide to withdraw this Offer Document and the offer of Shares made under this Offer Document in which case the Company will return all Application monies (without interest) within 28 days of giving such notice of withdrawal.

Shareholders and Depository Interest Holders in the United Kingdom should note that the Offer is not a rights issue, as that term is used in the United Kingdom. Eligible Depository Interest Holders should note that, although the Entitlements will be admitted to CREST and be enabled for settlement in CREST, applications in respect of entitlements under the Offer may only be made by the Eligible Depository Interest Holder originally entitled or by a person entitled by virtue of a bona fide market claim raised by Euroclear's Claims Processing Unit. Eligible Shareholders should note that the Entitlement and Acceptance Form is not a negotiable document and cannot be traded. Eligible Shareholders and Eligible Depository Interest Holders should be aware that in the Offer, unlike in a rights issue (as this term is used in the United Kingdom), any New Shares not applied for will not be sold in the market or placed for the benefit of Eligible Shareholders or Eligible Depository Interest Holders who do not apply under the Offer.

3.2 Small Holding Share Sale Facility

The Company has also established a small holding sale facility (**Facility**) for holders of less than a 'Marketable Parcel' of the Company's shares. The Company is providing the Facility to allow smaller shareholders the opportunity to sell their shares without having to use a broker or pay brokerage. The ASX Listing Rules define a less than 'Marketable Parcel' as those with a market value of less than A\$500. As at 5:00pm (AWST) on 25 July 2023 (**Facility Record Date**), a less than Marketable Parcel of shares is any shareholding of shares less than A\$500.00, based on the Company's closing share price of \$0.007 on the Facility Record Date. Approximately 8,847 Shareholders hold a less than 'Marketable Parcel', which represents approximately 1.32% of all issued Shares (**Minority Members**).

The Facility is not available to those shareholders who are residents of the United Kingdom, and it is not available to persons who hold an interest in the Company's shares via Depository Interests.

Eligible Shareholders who are also holders of Shares with a market value of \$500 or less (and have been notified of their small holding through a separate letter) may wish to retain their shareholding by participating in the Offer and Shortfall Offer such that their holding is of a market value of more than \$500.

Please refer to the Company's announcement dated 31 July 2023 for further information about the Facility.

3.3 Use of Funds

Completion of the Offer will result in an increase in cash in hand of up to approximately \$12 million (before the payment of costs associated with the Offer).

The Company intends to apply the funds raised under the Offer as follows:

Items of Expenditure	\$/£	%
Flow Testing of Hickory-1	A\$6.5m / £3.4m	54.17%
Development wells and work-overs on the Project Longhorn acreage	A\$4.0m / £2.098m	33.33%
Planning, permitting and potential securing of long lead items for Leonis exploration well	A\$0.5m / £262,350	4.17%
Working capital ¹	A\$0.5m / £262,350	4.17%
Expenses of the Offer	A\$0.5m / £262,350	4.17%
Total	A\$12m/£6.29m	100.00%

Note:

1. Funds allocated to working capital will be used for administration expenses of the Company over the next 15 months, including administration fees (A\$0.05m).
2. Above figures based on the Exchange Rate.

The above table is a statement of the Board's current intentions as at the date of this Offer Document. However, Shareholders and Depository Interest Holders should note that, as with any budget, the allocation of funds set out in the above table may change depending on a number of factors, including the outcome of operational and development activities, opportunities for strategic acquisitions, regulatory developments, market and general economic conditions and environmental factors. In light of this, the Board reserves the right to alter the way the funds are applied.

3.4 Indicative Timetable

Event	Date*
Record date for determining holders of less than a marketable parcel	Tuesday, 25 July 2023
Company Announces Rights Issue and Facility	Prior to 10.00am (Sydney time) on Monday, 31 July 2023
Letters sent to holders of less than a marketable parcel	
Lodgement of Offer Document, Appendix 3B and s708AA Cleansing Notice with ASX	
Ex date on ASX	
Record Date for determining Entitlements 7.00pm AEST in respect of Eligible Shareholders and 6.00pm (BST) in respect of Eligible Depository Interest Holders)	Thursday, 3 August 2023
Record Date for determining Entitlements 7.00pm AEST in respect of Eligible Shareholders and 6.00pm (BST) in respect of Eligible Depository Interest Holders)	Friday, 4 August 2023
Offer Document despatched to Eligible Shareholders & Company announces despatch has been completed	Wednesday, 9 August 2023
Open Offer Entitlements and CREST Excess Entitlements credited to CREST stock accounts of Eligible Depository Interest Holders	As soon as practicable after 8.00am (London time) on Wednesday, 9 August 2023
Recommended latest time for requesting withdrawal of Entitlements and CREST Excess Entitlements from CREST (to satisfy bona fide market claims only) 4:30pm (BST) on	4.30pm (London time) on Monday, 14 August 2023
Latest time for depositing Entitlements and CREST Excess Entitlements into CREST (to satisfy bona fide market claims only) 3:00pm (BST) on	3.00pm (London time) on Tuesday, 15 August 2023
Last day to extend Closing Date of Rights Issue	Before noon (Sydney time) Thursday, 17 August 2023
Closing Date of Rights Issue – AIM** Latest time and date for settlement of CREST application and payment in full under the Offer - (11:00am (BST))	Tuesday, 22 August 2023
Closing Date of Rights Issue - ASX**	Tuesday, 22 August 2023

Event	Date*
Securities quoted on a deferred settlement basis from market open	Wednesday, 23 August 2023
Announcement of results of Rights Issue	Tuesday, 29 August 2023
Issue date and lodgement of Appendix 2A with ASX applying for quotation of the New Shares (before noon Sydney time) Admission to trading on AIM of New Shares and dealings in the New Shares commences (8:00 am BST)	Tuesday, 29 August 2023
CREST member accounts expected to be credited with the New Shares in Depository Interest form	As soon as practicable on Tuesday, 29 August 2023
Closing date for receipt of a Notice of Retention Form	Monday, 11 September 2023
Sale of less than marketable parcels and distribution of sales proceeds to relevant shareholders	As soon as practicable after the Closing Date for receipt of a Notice of Retention Form

* These dates are indicative only and are subject to change.

** Subject to the ASX Listing Rules and the AIM Rules, the Directors reserve the right to extend the Closing Date for the Offer at their discretion. Should this occur, the extension will have a consequential effect on the anticipated date of issue for the New Shares.

3.5 Lead Manager

Euroz Hartleys Limited has been appointed as lead manager and book runner to the Offer (**Lead Manager**). Under the mandate agreement, the Lead Manager will receive a cash fee equivalent to 2% of the proceeds raised under the Offer (excluding the Shortfall) and cash fee of 6% of the proceeds raised under the Shortfall.

3.6 Entitlements and acceptance

Details of how to apply under the Offer are set out in Sections 4 and 5 of this Offer Document.

The Entitlement of Eligible Shareholders and Eligible Depository Interest Holders to participate in the Offer will be determined on the Record Date. If you are an Eligible Shareholder, your Entitlement is shown on the Entitlement and Acceptance form accompanying this Offer Document. If you are an Eligible Depository Interest Holder, you will have received a credit of Entitlements to your CREST stock account - please refer to Section 5 and also the CREST Manual for further information on the CREST procedures referred to below.

Eligible Shareholders and Eligible Depository Interest Holders can also apply for Additional Shares under the Shortfall Offer in addition to their Entitlement by

following the instructions set out in Section 4. The Shortfall Offer is described in Section 4.4 below.

3.7 No rights trading

The rights to New Shares under the Offer are non-renounceable. Accordingly, there will be no trading of rights on the ASX or AIM and you may not dispose of your rights to subscribe for New Shares under the Offer to any other party. If you do not take up your Entitlement to New Shares under the Offer by the Closing Date, the Offer to you will lapse.

3.8 Capital structure

The effect of the Offer on the capital structure of the Company, assuming all Entitlements are accepted, is set out below.

Shares

Shares	Number
Shares currently on issue	20,107,868,225
New Shares offered pursuant to the Offer ¹	2,010,786,822
Total Shares on issue after completion of the Offer¹	22,118,655,047

Notes:

- This number may vary due to rounding of Entitlements and may increase as a result of the rounding up of New Shares offered under the Offer.

Options

Options	Number
Options currently on issue expiring at various dates and prices	251,000,000
Total	251,000,000

Performance Rights

Options	Number
Performance Rights currently on issue	280,482,918
Total	280,482,918

The capital structure on an undiluted basis as at the date of this Offer Document would be 20,107,868,225 Shares and on completion of the Offer (assuming all Entitlements are accepted and no Options or Performance Rights are exercised prior to the Record Date) would be 22,118,655,047 Shares.

No Shares or Options on issue are subject to escrow restrictions, either voluntary or ASX imposed.

3.9 Dilution

Shareholders and Depositary Interest Holders should note that if they do not participate in the Offer, their holdings are likely to be diluted by approximately 9.09% (as compared to their holdings and number of Shares on issue as at the date of this Offer Document).

Examples of how the dilution may impact Shareholders and Depository Interest Holders are set out in the table below:

Holder	Holding as at Record date	Approximate % at Record Date ¹	Entitlements under the Offer	Holdings if Offer not taken Up	Approximate % post Offer
Shareholder 1	50,000,000	0.2487%	5,000,000	50,000,000	0.2261%
Shareholder 2	25,000,000	0.1243%	2,500,000	25,000,000	0.1130%
Shareholder 3	10,000,000	0.0497%	1,000,000	10,000,000	0.0452%
Shareholder 4	1,000,000	0.0050%	100,000	1,000,000	0.0045%
Shareholder 5	100,000	0.0005%	10,000	100,000	0.0005%

Notes:

- This is based on a share capital of 20,107,868,225 Shares at the date of this Offer Document.

3.10 Directors Interests and Participation

Each Director's relevant interest in the securities of the Company at the date of this Offer Document and their Entitlement is set out in the table below.

Director	Shares	Performance Rights	Voting Power (%)	Entitlement	\$
Philip Byrne ¹	-	6,666,667	Nil	Nil	Nil
Ashley Gilbert	-	84,076,667	Nil	Nil	Nil
Joanne Kendrick	-	6,666,667	Nil	Nil	Nil
Dr Stephen Staley	12,808,334	6,666,667	0.06%	1,280,833	\$7,685

Notes:

- Dr Staley reserves the right to take up his Entitlements in whole or in part in his discretion.

3.11 Effect of the Offer on control and voting power in the Company

The Company's substantial holders and their Entitlement prior to the Offer are set out in the table below.

Substantial Holder	Shares	Voting Power (%) ¹	Entitlement	\$
Computershare Clearing Pty Ltd <CCNL DI A/C>	4,398,604,194	21.88%	439,860,419	\$2,639,162.52
Citicorp Nominees Pty Limited	4,063,966,699	20.21%	406,396,670	\$2,438,380.02
Bnp Paribas Nominees Pty Ltd ACF Clearstream	1,097,197,404	5.46%	109,719,740	\$658,318.44

Notes:

- The voting power in the table is prior to settlement of the Offer.

The potential effect that the issue of the Shares under the Offer will have on the control of the Company is as follows:

- (a) if all Eligible Shareholders and Eligible Depositary Interest Holders take up their entitlements under the Offer, the issue of Shares under the Offer will have no effect on the control of the Company and all Shareholders and Depositary Interest Holders will hold (or otherwise be interested in) the same percentage interest in the Company, subject only to changes resulting from Ineligible Shareholders and Ineligible Depositary Interest Holders being unable to participate in the Offer;
- (b) in the more likely event that there is a shortfall, Eligible Shareholders and Eligible Depositary Interest Holders who do not subscribe for their full entitlement of Shares under the Offer and Ineligible Shareholders and Ineligible Depositary Interest Holders unable to participate in the Offer will be diluted relative to those Eligible Shareholders and Eligible Depositary Interest Holders who subscribe for some or all of their entitlement as shown by the table in section 3.9; and
- (c) in respect of any shortfall, Eligible Shareholders and Eligible Depositary Interest Holders will be entitled to top-up their interest in Shares by subscribing for additional Shares to be issued from the shortfall pool (**Shortfall Offer**). However, the Company will only issue such Shares pursuant to an application received where the Directors are satisfied, in their discretion, that the issue of the Shares will not increase the applicant's voting power above 19.90%.

3.12 Market Price of Shares

The Company is a disclosing entity for the purposes of the Corporations Act and its Shares are enhanced disclosure securities quoted on ASX.

The highest, lowest and last market sale prices of the Shares on ASX during the three months immediately preceding the date of release of this Offer Document and the respective dates of those sales were:

	(\$)	Date
Highest	\$0.009	12 May 2023, 11 May 2023, 10 May 2023, 8 May 2023 and 1 May 2023
Lowest	\$0.006	15 June 2023
Last	\$0.007	28 July 2023

3.13 Opening and Closing Dates

The Offer opens on the Opening Date, being Wednesday, 9 August 2023, and closes on the Closing Date, being 5:00pm (AWST) on Tuesday, 22 August 2023 in respect of Eligible Shareholders and 11:00am (BST) on Tuesday, 22 August 2023 for Eligible Depositary Interest Holders (or such other dates as the Directors in their discretion shall determine subject to the ASX Listing Rules, AIM Rules and (in the case of Depositary Interests) the CREST Manual). The Company will accept Entitlement and Acceptance Forms until the Closing Date or such other date as the Directors in their absolute discretion shall determine, subject to the ASX Listing Rules.

3.14 Issue and dispatch

Shares issued pursuant to the Offer will be issued in accordance with the ASX Listing Rules and the indicative timetable set out in Section 3.4 of this Offer Document. Shares issued pursuant to the Shortfall Offer will be issued on a progressive basis.

Pending the issue of the Shares or payment of refunds pursuant to this Offer Document, all Application monies will be held by the Registry in trust for the Applicants in a separate bank account as required by the Corporations Act. The Company, however, will be entitled to retain all interest that accrues on the bank account and each Applicant waives the right to claim interest by completing and returning the Entitlement and Acceptance Form.

The expected dates for issue of New Shares offered by this Offer Document and dispatch of holding statements is expected to occur on the dates specified in the Timetable set out in Section 3.4 of this Offer Document.

It is the responsibility of Applicants to determine the allocation prior to trading in the New Shares. Applicants who sell New Shares before they receive their holding statements will do so at their own risk.

If the conditions to the Offer are satisfied, the Depositary Interests representing New Shares will be issued in uncertificated form to those persons who submitted a valid application for the New Shares by using the CREST application procedures and whose applications have been accepted by the Company. The Share Registry will instruct Euroclear to credit the appropriate stock accounts of such persons with Depositary Interests in respect of such persons' entitlements to New Shares with effect from Admission (expected to be on 29 August 2023).

3.15 ASX listing

Application for official quotation by ASX of the New Shares offered pursuant to this Offer Document will be made.

The fact that ASX may grant official quotation to the New Shares is not to be taken in any way as an indication of the merits of the Company or the New Shares now offered for subscription.

3.16 CHESS

The Company is a participant in CHESS, for those investors who have, or wish to have, a sponsoring stockbroker. Investors who do not wish to participate through CHESS will be issuer sponsored by the Company. Because the sub-registers are electronic, ownership of securities can be transferred without having to rely upon paper documentation.

Electronic registers mean that the Company will not be issuing certificates to investors. Instead, investors will be provided with a statement (similar to a bank account statement) that sets out the number of New Shares allotted to them under this Offer Document. The notice will also advise holders of their Holder Identification Number or Security Holder Reference Number and explain, for future reference, the sale and purchase procedures under CHESS and issuer sponsorship.

Further monthly statements will be provided to holders if there have been any changes in their security holding in the Company during the preceding month.

3.17 AIM admission

Application will be made to the London Stock Exchange for admission of the New Shares to trading on AIM. It is expected that such Admission will take effect at 8.00am (BST) on 29 August 2023.

3.18 CREST

If you have Entitlements and CREST Excess Entitlements credited to your stock account in CREST in respect of your Entitlement under the Offer.

Save as provided in Section 1.3 in relation to certain overseas investors, each Eligible Depository Interest Holder will receive a credit to his stock account in CREST of his Entitlements equal to the maximum number of New Shares for which he is entitled to apply under the Offer. Entitlements to New Shares will be rounded up to the nearest whole number and fractional entitlements will be ignored and will not be allotted to Eligible Depository Interest Holders. Eligible Depository Interest Holders who hold Depository Interests in respect of fewer than ten existing Shares (or any entitlement to such number of existing Shares) will, therefore, have no entitlement to subscribe under the Offer.

The CREST stock account to be credited will be an account under the participant ID and member account ID that apply to the Depository Interests held by an Eligible Depository Interest Holder on the Record Date in respect of which the Entitlements have been allocated.

If for any reason the Entitlements cannot be admitted to CREST by, or the stock accounts of Eligible Depository Interest Holders cannot be credited by, 11:00am (BST) on 22 August 2023, or such later time as the Company may decide, an Entitlement and Acceptance Form will be sent out to each Eligible Depository Interest Holder in substitution for the Entitlements credited to his stock account in CREST. In these circumstances the expected timetable for the Offer as set out in this document will be adjusted as appropriate and the provisions of this document applicable to Eligible Shareholders with Entitlement and Acceptance Forms will apply to Eligible Depository Interest Holders who receive Entitlement and Acceptance Forms.

CREST members who wish to apply for some or all of their entitlements to New Shares should refer to the CREST Manual for further information on the CREST procedures referred to below. Should you need advice with regard to these procedures, please contact Computershare on 0370 702 0000. If you are a CREST sponsored member you should consult your CREST sponsor if you wish to apply for New Shares as only your CREST sponsor will be able to take the necessary action to make this application in CREST.

Market claims

Each of the Entitlements will constitute a separate security for the purposes of CREST. Although Entitlements will be admitted to CREST and be enabled for settlement, applications in respect of Entitlements may only be made by the Eligible Depository Interest Holder originally entitled or by a person entitled by virtue of a bona fide market claim transaction. Transactions identified by the CREST Claims Processing Unit as "cum" the Basic Entitlement will generate an appropriate market claim transaction and the relevant Entitlement(s) will thereafter be transferred accordingly.

CREST Excess Entitlements

Entitlements will not be subject to Euroclear's market claims process. Eligible Depository Interest Holders claiming CREST Excess Entitlements by virtue of a bona fide market claim are advised to contact the Receiving Agent to request a credit of the appropriate number of entitlements to their CREST account.

3.19 Risk Factors

An investment in New Shares should be regarded as speculative. In addition to the general risks applicable to all investments in listed securities, there are specific risks associated with an investment in the Company which are non-exhaustive. Please refer to Section 6 of this Offer Document for further details.

3.20 Taxation implications

The Directors do not consider it appropriate to give Shareholders or Depository Interest Holders advice regarding the taxation consequences of subscribing for New Shares under this Offer Document. The Company, its advisers and its officers do not accept any responsibility or liability for any such taxation consequences to Shareholders.

Shareholders and Depository Interest Holders should consult their professional tax adviser in connection with subscribing for New Shares under this Offer Document.

3.21 Continuous disclosure obligations

The Company is a "disclosing entity" (as defined in section 111AC of the Corporations Act) for the purposes of the Corporations Act and its Shares are enhanced disclosure securities quoted on ASX and, as such, the Company is subject to regular reporting and disclosure obligations under the Corporations Act and the Listing Rules.

Specifically, the Company is required to notify ASX of information about specific events and matters as they arise for the purposes of the ASX making that information available to the securities markets conducted by the ASX. In particular, the Company 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.

This Offer Document is intended to be read in conjunction with the publicly available information in relation to the Company which has been notified to ASX and does not include information that would be included in a disclosure document or which investors ought to have regard to in deciding whether to subscribe for Shares under the Offer. Investors should therefore have regard to the other publicly available information in relation to the Company before making a decision whether or not to invest.

All announcements made by the Company are available from its website <https://88energy.com/> or the ASX www.asx.com.au or, in the United Kingdom, via a Regulatory Information Service.

Additionally, the Company is also required to prepare and lodge with ASIC yearly and half-yearly financial statements accompanied by a directors' statement and report, and an audit report or review. These reports are released to ASX and published on the Company's and the ASX websites.

This Offer Document (including, for Eligible Shareholders, the Entitlement & Acceptance Form) and the contracts that arise from acceptance of the Applications are governed by the laws applicable in Western Australia and each Applicant submits to the non-exclusive jurisdiction of the courts of Western Australia.

3.22 Enquiries concerning Offer Document

The Offer Document contains important information. You should read the Offer Document in full and seek advice from your stockbroker, accountant, or other professional adviser if you have any questions about your investment in the Company or about the impact of the transactions described in this Offer Document or please call the information line:

1300 850 505 (within Australia)
+61 3 9415 4000 (outside of Australia)
Monday to Friday, 8:30am to 5:00pm AEST

4. ACTION REQUIRED BY ELIGIBLE SHAREHOLDERS

4.1 How to Accept the Offer

Your acceptance of the Offer must be made on the Entitlement and Acceptance Form accompanying this Offer Document which can be accessed at www.computersharecas.com.au/88eentitlementoffer.

If you are an Eligible Shareholder you may participate in the Offer as follows:

(a) **if you wish to accept your Entitlement in full:**

- (i) take up all of your Entitlement in accordance with the instructions on the Entitlement and Acceptance Form; and
- (ii) pay the application monies for the amount indicated on your Entitlement and Acceptance Form (in full) as follows:
 - (1) if you are an Australian resident, using BPAY; or
 - (2) if you are located overseas, you can pay via Electronic Funds Transfer (EFT) by contacting the Offer information line, or seek EFT banking details via the offer website on www.computersharecas.com.au/88eentitlementoffer,

in accordance with the instructions set out in the Entitlement and Acceptance Form, so that it is received by no later than 5:00pm AWST on the Closing Date on Tuesday, 22 August 2023; or

(b) **if you only wish to accept part of your Entitlement:**

- (i) pay the appropriate application monies amount for the number of Shares you wish to accept, as follows:
 - (1) if you are an Australian resident, using BPAY; or
 - (2) if you are located overseas, you can pay via Electronic Funds Transfer (EFT) by contacting the Offer information line or seek EFT banking details via the offer website on www.computersharecas.com.au/88eentitlementoffer,

in accordance with the instructions set out in the Entitlement and Acceptance Form, so that it is received by no later than 5:00pm AWST on the Closing Date on Tuesday, 22 August 2023; or

(c) **if you wish to accept your full Entitlement and apply for additional Shortfall Securities:**

- (i) pay the application monies for the amount indicated on your Entitlement and Acceptance Form plus any additional Shortfall Securities you wish to apply for (in full) by BPAY or EFT, so that it is received by no later than 5.00pm AWST on the Closing Date on Tuesday, 22 August 2023.

If you apply for Shortfall Securities beyond your Entitlement you are deemed to have accepted your Entitlement in full. You should note that the allocation of Shortfall Securities is at the Company's absolute discretion as per the allocation policy set

out in Section 4.4. Accordingly, your application for additional Shortfall Securities may be scaled-back. The Company's decision on the number of Shortfall Securities to be allocated to you will be final; or

- (d) **if you do not wish to accept all or part of your Entitlement**, you are not obliged to do anything.

Your completed Entitlement and Acceptance Form and payment must reach the Registry no later than 5:00pm (WST) on the Closing Date on Tuesday, 22 August 2023.

The Offer is non-renounceable. Accordingly, a holder of Shares may not sell or transfer all or part of their Entitlement.

4.2 Implications of an acceptance

Returning a completed Entitlement and Acceptance Form or paying any Application monies by BPAY® or EFT will be taken to constitute a representation by you that:

- (a) you have received a copy of this Offer Document and the accompanying Entitlement and Acceptance Form, and read them both in their entirety; and
- (b) you acknowledge that once a BPAY® or EFT payment instruction is given in relation to any Application Monies, the Application may not be varied or withdrawn except as required by law.

4.3 Payment Options

(a) BPAY® (for Australian resident Shareholders only)

If you are an Australian resident, you can make payment using by BPAY®. Please follow the instructions on the Entitlement and Acceptance Form. You can only make a payment via BPAY® if you are the holder of an account with an Australian financial institution that supports BPAY® transactions. Please note that should you choose to pay by BPAY®:

- (i) you do not need to submit the Entitlement and Acceptance Form but are taken to have made the declarations on that Entitlement and Acceptance Form; and
- (ii) if you do not pay for your Entitlement in full, you are deemed to have taken up your Entitlement in respect of such whole number of Shares which is covered in full by your application monies.

If you have more than one shareholding of Shares and consequently receive more than one Entitlement and Acceptance Form, when taking up your Entitlement in respect of one of those Shareholdings only use the unique customer reference number (CRN) specific to that Shareholding as set out in the applicable Entitlement and Acceptance Form. Do not use the same CRN for more than one of your Shareholdings. This can result in your application monies being applied to your Entitlement in respect of only one of your Shareholdings (with the result that any application in respect of your remaining Shareholdings will not be valid).

(b) Electronic Funds Transfer (for overseas Shareholders only) BPAY® (for Australian resident Shareholders only)

If you are a Shareholder located overseas, you can make payment via EFT. Please contact the Offer information line or seek EFT banking details via the offer website on www.computersharecas.com.au/88eentitlementoffer. Multiple acceptances must be paid separately. You should be aware of your financial institution's cut-off time and any associated fees with processing an EFT. It is your responsibility to ensure funds are submitted correctly by the Closing Date and time being 5:00pm (AWST) on Tuesday, 22 August 2023. Please note that should you choose to pay by EFT:

- (i) you do not need to submit the Entitlement and Acceptance Form but are taken to have made the declarations on that Entitlement and Acceptance Form; and
- (ii) if you do not pay for your Entitlement in full, you are deemed to have taken up your Entitlement in respect of such whole number of Shares which is covered in full by your application monies.

When making an EFT payment, please ensure your SRN/HIN is included followed by your Last Name/Surname or Corporate Name. This will ensure your payment is processed correctly. Failure to do so may result in your funds not being allocated to your application and your Entitlement subsequently not being issued.

It is your responsibility to ensure that your completed Entitlement and Acceptance Form and payment of application monies is received by the share registry by no later than 5:00 pm (AWST) on the Closing Date on Tuesday, 22 August 2023. You should be aware that your financial institution may implement earlier cut-off times with regards to electronic payment and you should therefore take this into consideration when making payment. Any Application Monies received for more than your final allocation of Shares will be refunded. No interest will be paid on any Application Monies received or refunded.

4.4 Shortfall Offer

Any Entitlement not taken up pursuant to the Offer will form the Shortfall Offer.

The Shortfall Offer is a separate offer made pursuant to this Offer Document and will remain open for up to three months following the Closing Date. The issue price for each Share to be issued under the Shortfall Offer shall be A\$0.006 being the price at which Shares have been offered under the Offer.

The Directors reserve the right to issue Shortfall Shares at their absolute discretion. Accordingly, do not apply for Shortfall Shares unless instructed to do so by the Directors.

5. ACTION REQUIRED BY ELIGIBLE DEPOSITARY INTEREST HOLDERS

5.1 Acceptance by Eligible Depositary Interest Holders

5.1.1 How to accept the Offer

If you are an Eligible Depositary Interest Holder you may participate in the Offer as follows:

- (a) if you wish to accept your Entitlement in full, credit a stock account of the Depositary under the participant ID and member account ID specified in Section 5.1.4 below, with a number of Entitlements corresponding to your full Entitlement;
- (b) if you are accepting your Entitlement in full and also wish to accept your CREST Excess Entitlements and apply for Additional Shares (subject to the Shortfall Offer), in addition to your full Entitlement you should credit a stock account of the Depositary under the participant ID and member account ID specified in Section 5.1.4 below with the number of CREST Excess Entitlements that you wish to accept; and
- (c) if you only wish to accept part of your Entitlement, credit a stock account of the Depositary under the participant ID and member account ID specified in Section 5.1.4 below, with the number of Entitlements in respect of which you wish to accept the Offer,

and, in each case, create a CREST payment in accordance with Section 5.1.4(b) below. You must credit the stock account of the Depositary no later than 11:00am (BST) on 22 August 2023.

The Company will treat an Eligible Depositary Interest Holder as applying for as many New Shares as their payment will pay for in full up to their Entitlement, plus any Additional Shares (if any) as their payment will pay for.

If you do not wish to accept all or part of your Entitlement, you are not obliged to do anything.

The Offer is non-renounceable. Accordingly, a holder of Depositary Interests may not sell or transfer all or part of their Entitlement. Applications in respect of entitlements under the Offer may only be made by the Eligible Depositary Interest Holder originally entitled or by a person entitled by virtue of a bona fide market claim raised by Euroclear's Claims Processing Unit.

5.1.2 Shortfall Offer

Eligible Depositary Interest Holders may apply to acquire Additional Shares using the Shortfall Offer. The Shortfall Offer enables Eligible Depositary Interest Holders to apply for Additional Shares in excess of their Entitlement.

The right to apply for Additional Shares pursuant to the Shortfall Offer (CREST Excess Entitlements) may not be sold or otherwise transferred. The CREST accounts of Eligible Depositary Interest Holders will be credited with CREST Excess Entitlements in order for any applications for Additional Shares to be settled through CREST.

To apply for Additional Shares pursuant to the Shortfall Offer, Eligible Depositary Interest Holders should follow the instructions in Section 5.1.1 above.

5.1.3 Settlement

The Depositary Interests are already admitted to CREST. No further applications will need to be made in respect of the admission to CREST of the Depositary Interests representing the New Shares. All such Depositary Interests, when issued and fully paid, may be held and transferred by means of CREST.

Entitlements and CREST Excess Entitlements held in CREST are expected to be disabled in all respects after 11:00am (BST) on 22 August 2023 (being the latest practicable date for applications under the Offer). If the conditions to the Offer are satisfied, the Depositary Interests representing New Shares will be issued in uncertificated form to those persons who submitted a valid application for the New Shares by using the CREST application procedures and whose applications have been accepted by the Company. The Share Registry will instruct Euroclear to credit the appropriate stock accounts of such persons with Depositary Interests in respect of such persons' entitlements to New Shares with effect from admission of the New Shares to trading on AIM (expected to be on 29 August 2023). The stock accounts to be credited will be accounts under the same CREST participant IDs and CREST member account IDs in respect of which the USE instruction was given.

5.1.4 USE instructions

CREST members who wish to apply for New Shares in respect of all or some of their Entitlements in CREST must send (or, if they are CREST sponsored members, procure that their CREST sponsor sends) an Unmatched Stock Event (**USE**) instruction to Computershare which, on its settlement, will have the following effect:

- (a) the crediting of a stock account of the Depositary under the participant ID and member account ID specified below, with a number of Entitlements corresponding to the number of New Shares applied for; and
- (b) the creation of a CREST payment, in accordance with the CREST payment arrangements, in favour of the payment bank of the Depositary in respect of the amount specified in the USE instruction which must be the full amount payable on application for the number of New Shares referred to in (a) above.

5.1.5 Content of USE instructions

The USE instruction must be properly authenticated in accordance with Euroclear's specifications and must contain, in addition to the other information that is required for settlement in CREST, the following details:

- (a) the number of New Shares for which application is being made (and hence the number of the Entitlement(s) being delivered to the Depositary);
- (b) the ISIN of the Entitlement (this will be notified to Depositary Interest Holders in a separate written communication and in an RNS once the ISIN has been assigned);
- (c) the CREST participant ID of the accepting CREST member;
- (d) the CREST member account ID of the accepting CREST member from which the Entitlements are to be debited;

- (e) the participant ID of the Share Registry, in its capacity as a CREST receiving agent - this is 3RA32;
- (f) the member account ID of the Share Registry in its capacity as a CREST receiving agent - this is 88ENEROO;
- (g) the amount payable by means of a CREST payment on settlement of the USE instruction. This must be the full amount payable on application for the number of New Shares referred to in (a) above;
- (h) the intended settlement date. This must be on or before 11:00am (BST) on 22 August 2023;
- (i) the Corporate Action Number for the Offer. This will be available by viewing the relevant corporate action details in CREST.

In order for an application under the Offer to be valid, the USE instruction must comply with the requirements as to authentication and contents set out above and must settle on or before 11:00am (BST) on 22 August 2023.

In order to assist prompt settlement of the USE instruction, CREST members (or their sponsors, where applicable) may consider adding the following nonmandatory fields to the USE instruction:

- (a) a contact name and telephone number (in the free format shared note field); and
- (b) a priority of at least 80.

5.1.6 Content of USE instruction in respect of CREST Excess Entitlements

The USE instruction must be properly authenticated in accordance with Euroclear's specifications and must contain, in addition to the other information that is required for settlement in CREST, the following details:

- (a) the number of New Shares for which application is being made (and hence the number of the CREST Excess Entitlement(s) being delivered to the Depositary);
- (b) the ISIN of the Excess CREST Entitlement (this will be notified to Depositary Interest Holders in a separate written communication and in an RNS once the ISIN has been assigned);
- (c) the CREST participant ID of the accepting CREST member;
- (d) the CREST member account ID of the accepting CREST member from which the Excess CREST Entitlements are to be debited;
- (e) the participant ID of the Share Registry in its capacity as a CREST receiving agent - this is 3RA32;
- (f) the member account ID of the Share Registry in its capacity as a CREST receiving agent. This is 88ENEROO;
- (g) the amount payable by means of a CREST payment on settlement of the USE instruction. This must be the full amount payable on application for the number of New Shares referred to in (a) above;

- (h) the intended settlement date. This must be on or before 11:00am (BST) on 22 August 2023; and
- (i) the Corporate Action Number for the Offer. This will be available by viewing the relevant corporate action details in CREST. In order for an application in respect of an Excess CREST Entitlement under the Offer to be valid, the USE instruction must comply with the requirements as to authentication and contents set out above and must settle on or before 11:00am (BST) on 22 August 2023. In order to assist prompt settlement of the USE instruction, CREST members (or their sponsors, where applicable) may consider adding the following non-mandatory fields to the USE instruction;
- (j) a contact name and telephone number (in the free format shared note field); and
- (k) a priority of at least 80.

CREST members and, in the case of CREST sponsored members, their CREST sponsors, should note that the last time at which a USE instruction may settle on 22 August 2023 in order to be valid is 11:00am (BST) on that day.

In the event that the Directors withdraw the Offer, the Entitlements admitted to CREST will be disabled and the Share Registry will refund the amount paid by an Eligible Depository Interest Holder by way of a CREST payment, without interest, within 14 days thereafter. The interest earned on such monies will be retained for the benefit of the Company.

5.1.7 Deposit of Entitlements into, and withdrawal from, CREST

An Eligible Shareholder's entitlement under the Offer as shown by the number of Entitlements set out in his Entitlement and Acceptance Form may be deposited into CREST (by virtue of a bona fide market claim only). Similarly, Entitlements held in CREST may be withdrawn from CREST so that the entitlement under the Offer is reflected in an Entitlement and Acceptance Form. Normal CREST procedures (including timings) apply in relation to any such deposit or withdrawal.

A holder of an Entitlement and Acceptance Form who is proposing to deposit the entitlement set out in such form is recommended to ensure that the deposit procedures are implemented in sufficient time to enable the person holding or acquiring the Entitlements and the entitlement to apply under the Shortfall Offer following their deposit into CREST to take all necessary steps in connection with taking up the entitlement prior to 11:00am (BST) on 22 August 2023.

In particular, having regard to normal processing times in CREST and on the part of the Share Registry, the recommended latest time for depositing an Entitlement and Acceptance Form, where the person entitled wishes to hold the entitlement under the Offer set out in such Entitlement and Acceptance Form as Entitlements in CREST, is 3:00pm (BST) on 15 August 2023, and the recommended latest time for receipt by Computershare of a dematerialised instruction requesting withdrawal of Entitlements from CREST is 4:30pm (BST) on 14 August 2023 in either case so as to enable the person acquiring or (as appropriate) holding the Entitlements following the deposit or withdrawal (whether as shown in an Entitlement and Acceptance Form or held in CREST) to take all necessary steps in connection with applying in respect of the Entitlements prior to 11:00am (BST) on 22 August 2023.

Delivery of an Entitlement and Acceptance Form with a CREST Deposit Form duly completed whether in respect of a deposit into the account of the Eligible

Shareholder named in the Entitlement and Acceptance Form or into the name of another person, shall constitute a representation and warranty to the Company and the Share Registry by the relevant CREST member(s) that the deposit is in relation to a bona fide market claim and a declaration to the Company and the Share Registry from the relevant CREST member(s) that it/they is/are not citizen(s) or resident(s) of a Restricted Jurisdiction.

5.1.8 Binding effect of acceptance of Offer

A payment made through CREST constitutes a binding offer to acquire New Shares on the terms and conditions set out in this Offer Document and once paid, cannot be withdrawn.

By making a payment by CREST, you will also be deemed to have acknowledged, represented and warranted on behalf of each person on whose account you are acting that:

- (a) you are an Eligible Depositary Interest Holder and are not in the United States or any other Restricted Jurisdiction and are not a person (including nominees or custodians) acting for the account or benefit of a person in the United States or any other Restricted Jurisdiction and are not otherwise a person to whom it would be illegal to make an offer or issue New Shares under the Offer;
- (b) you acknowledge that the New Shares have not been and will not be, registered under the US Securities Act or under the laws of any other jurisdiction outside United Kingdom, Australia or New Zealand; and
- (c) you have not and will not send any materials relating to the Offer to any person in the United States or to any person (including nominees or custodians) acting for the account or benefit of a person in the United States.

5.1.9 CREST – validity of applications

(a) Effect of Valid Application

A CREST member who makes or is treated as making a valid application in accordance with the above procedures will thereby:

- (i) agree with the Company that all applications under the Offer and contracts resulting therefrom and any non-contractual obligations related thereto shall be governed by, and construed in accordance with, the laws applicable in Western Australia and each Applicant submits to the non-exclusive jurisdiction of the courts of Western Australia;
- (ii) confirm to the Company that in making such application it is not relying on any information in relation to the Company other than that contained in this Offer Document and that which is publicly available and agrees that no person responsible solely or jointly for this document or any part thereof, or involved in the preparation thereof, shall have any liability for any such other information and further agrees that, having had the opportunity to read this Offer Document, he will be deemed to have had notice of all the information concerning the Company contained herein (including information incorporated by reference) or otherwise publicly available;

- (iii) represent and warrant to the Company that he is the Eligible Depository Interest Holder originally entitled to the Entitlements and CREST Excess Entitlements or, if he has received some or all of his Entitlements and CREST Excess Entitlements from a person other than the Company, that he has received such Entitlements and CREST Excess Entitlements by virtue of a bona fide market claim;
- (iv) represent and warrant to the Company that he has the right, power and authority, and has taken all action necessary, to make the application under the Offer and to execute, deliver and exercise his rights, and perform his obligations, under any contracts resulting therefrom and that he is not a person otherwise prevented by legal or regulatory restrictions from applying for New Shares or acting on behalf of any such person on a non-discretionary basis;
- (v) pay the amount payable on application in accordance with the above procedures by means of a CREST payment in accordance with the CREST payment arrangements (it being acknowledged that the payment to the Depository payment bank in accordance with the CREST payment arrangements shall, to the extent of the payment, discharge in full the obligation of the CREST member to pay to the Company the amount payable on application);
- (vi) request that the New Shares to which he will become entitled be issued to him on the terms set out in this document and subject to the Constitution of the Company;
- (vii) represent and warrant to the Company that he is not, and is not applying on behalf of any Shareholder who is a citizen or resident or which is a corporation, partnership or other entity created or organised in or under any laws of any Restricted Jurisdiction and he is not applying with a view to reoffering, reselling, transferring or delivering any of the New Shares which are the subject of this application to, or for the benefit of, a person who is a citizen or resident or which is a corporation, partnership or other entity created or organised in or under any laws of any Restricted Jurisdiction (in each case except where proof satisfactory to the Company has been provided that he is able to accept the invitation by the Company free of any requirement which the Company, or (in their absolute discretion) regard as unduly burdensome), nor is he acting on behalf of any such person on a non- discretionary basis; and
- (viii) represent and warrant to the Company that he is not, and nor is he applying as nominee or agent for, a person who is or may be liable to notify and account for tax under the Stamp Duty Reserve Tax Regulations 1986 at any of the increased rates referred to in Section 93 (Depository receipts) or Section 96 (clearance services) of the Finance Act 1986.

(b) **Company's discretion as to the rejection and validity of applications**

The Company may in its sole discretion:

- (i) treat as valid (and binding on the CREST member concerned) an application which does not comply in all respects with the requirements as to validity set out or referred to in this Section 5;
- (ii) accept an alternative properly authenticated dematerialised instruction from a CREST member or (where applicable) a CREST sponsor as constituting a valid application in substitution for or in addition to a USE instruction and subject to such further terms and conditions as the Company may determine;
- (iii) treat a properly authenticated dematerialised instruction (in this sub-paragraph the "first instruction") as not constituting a valid application if, at the time at which the Share Registry receives a properly authenticated dematerialised instruction giving details of the first instruction or thereafter, either the Company or the Share Registry have received actual notice from Computershare of any of the matters specified in Regulation 35(5)(a) in relation to the first instruction. These matters include notice that any information contained in the first instruction was incorrect or notice of lack of authority to send the first instruction; and
- (iv) accept an alternative instruction or notification from a CREST member or CREST sponsored member or (where applicable) a CREST sponsor, or extend the time for settlement of a USE instruction or any alternative instruction or notification, in the event that, for reasons or due to circumstances outside the control of any CREST member or CREST sponsored member or (where applicable) CREST sponsor, the CREST member or CREST sponsored member is unable validly to apply for New Shares by means of the above procedures. In normal circumstances, this discretion is only likely to be exercised in the event of any interruption, failure or breakdown of CREST (or any part of CREST) or on the part of the facilities and/or systems operated by the Depositary in connection with CREST.

5.2 Money Laundering Regulations

If you hold your Entitlements and CREST Excess Entitlements in CREST and apply for New Shares in respect of some or all of your Entitlements or CREST Excess Entitlements as agent for one or more persons and you are not a UK or EU regulated person or institution (e.g. a UK financial institution), then, irrespective of the value of the application, Computershare is obliged to take reasonable measures to establish the identity of the person or persons on whose behalf you are making the application. You must therefore contact the Share Registry before sending any USE or other instruction so that appropriate measures may be taken.

Submission of a USE instruction which on its settlement constitutes a valid application as described above constitutes a warranty and undertaking by the applicant to provide promptly to the Share Registry such information as may be specified by the Share Registry as being required for the purposes of the Money Laundering Regulations. Pending the provision of evidence satisfactory to the Share Registry as to identity, the Share Registry may in its absolute discretion take, or omit to take, such action as it may determine to prevent or delay issue of the New Shares concerned. If satisfactory evidence of identity has not been provided

within a reasonable time, then the application for the New Shares represented by the USE instruction will not be valid. This is without prejudice to the right of the Company to take proceedings to recover any loss suffered by it as a result of failure to provide satisfactory evidence.

5.3 Enquiries in relation to acceptance of the Offer in CREST

Depositary Interest Holders who have any queries on the procedure for acceptance and payment should contact Computershare on 0370 702 0000 between 8.30 a.m. and 5.30 p.m. (BST) Monday to Friday (except UK public holidays) from within the UK or +44 370 702 0000 if calling from outside the UK. Calls may be recorded and randomly monitored for security and training purposes. The helpline cannot provide advice on the merits of the Offer nor give any legal, financial or tax advice.

6. RISK FACTORS

6.1 Introduction

The Shares offered under this Offer Document should be considered speculative because of the nature of the Company's business.

There are numerous risk factors involved with the Company's business. Some of these risks can be mitigated by the use of safeguards and appropriate systems and controls, but some are outside the control of the Company and cannot be mitigated. Accordingly, an investment in the Company carries no guarantee with respect to the payment of dividends, return of capital or price at which securities will trade.

The following is a summary of the more material matters to be considered. However, this summary is not exhaustive and potential investors should examine the contents of this Offer Document in its entirety and consult their professional advisors before deciding whether to apply for the New Shares.

6.2 Key investment risks

Potential investors should be aware that subscribing for Shares in the Company involves a number of risks. Prospective investors should read this Offer Document in its entirety before deciding whether to apply for Shares under this Offer Document.

These risks together with other general risks applicable to all investments in listed securities not specifically referred to, may affect the value of the Shares in the future. Accordingly, an investment in the Company should be considered highly speculative. Investors should consider consulting their professional advisers before deciding whether to apply for Shares pursuant to this Offer Document.

(a) Early stage of operations - Alaska

The Group's Alaskan operations are at an early stage of development and future success will depend on the Directors' ability to successfully manage the current projects and to take advantage of further opportunities which may arise. There can be no guarantee that the Group can or will be able to, or that it will be commercially advantageous for the Group to, develop the Alaskan Blocks.

Further, the Group has a growing asset base that is producing positive cash flows and its ultimate success will depend on the Directors' ability to implement their strategy, generate cash flow from economically viable projects across the portfolio and access equity markets. Whilst the Directors are optimistic about the Group's prospects, there is no certainty that anticipated outcomes and sustainable revenue streams will be achieved. The Group will generate minor income from commercial production, however in the meantime the Group will continue to expend its cash reserves and will, in due course, need to raise additional capital, which the Company anticipates would be by way of the issue of further Ordinary Shares and/or by way of the farm-out of part of the Group's interests in the Alaskan or Texan Blocks but could also include financing through debt.

The Group's Alaskan projects have no operating history upon which to base estimates of future cash operating costs. For early stage projects,

estimates of proven and probable reserves and cash operating costs are, to a large extent, based upon the interpretation of geological data and feasibility studies which derive estimates of cash operating costs based upon anticipated recoveries, expected recovery rates, comparable facility and equipment operating costs, anticipated climatic conditions and other factors. As a result, it is possible that actual cash operating costs and economic returns may differ materially from those estimated.

(b) **Production of Texan Blocks**

The primary business of the Company is exploration for, and commercial development of, conventional and unconventional oil reservoirs, which is subject to the risks inherent in these activities. The Company has approximately a 62% average net working interest in the established Project Longhorn conventional oil and gas production assets, located in the Permian Basin on onshore Texas, U.S.A. Project Longhorn consists of 14 leases with 40 producing wells and associated infrastructure. These wells are currently operated by a third party. The current and future operations of the Company may be affected by a range of factors, including:

- (i) geological conditions;
- (ii) the flow potential of oil reservoirs after any stimulation by hydraulic fracturing;
- (iii) limitations on activities due to seasonal weather patterns;
- (iv) alterations to exploration programs and budgets;
- (v) unanticipated operational and technical difficulties encountered in drilling, development, production and treatment activities;
- (vi) mechanical failure of operating plant and equipment;
- (vii) adverse weather conditions, industrial and environmental accidents, industrial disputes and other force majeure events;
- (viii) unavailability of drilling, processing and other equipment;
- (ix) unexpected shortages or increases in the costs of consumables, spare parts, plant and equipment and labour;
- (x) prevention of access by reason of inability to obtain regulatory or landowner consents or approvals;
- (xi) terms imposed by government on the development of projects including conditions such as environmental rehabilitation and taxes;
- (xii) delays in completing feasibility studies and obtaining development approvals; and
- (xiii) risks of default or non-performance by third parties providing essential services.

No assurance can be given that future exploration will be commercially successful. The ongoing financial viability of the Company depends on

the continued discovery and delineation of economically recoverable oil and gas reserves, design and construction of efficient processing facilities, and competent operational and managerial performance.

Development of a commercial oil and gas business is also dependent on the Company's ability to obtain necessary governmental and other regulatory approvals, including but, not limited to, environmental approvals on a timely basis. Development of a commercial oil and gas business is also dependent on the Company's ability to establish basic infrastructure such as (but not limited to) power, water, transport and housing to support its operations.

(c) **Reliance on operators**

Successfully exploring for, developing and commercializing oil and gas interests and generating cashflows from oil services activities depends on a number of factors not least of which is the technical skill of the personnel involved. The Group's success will be, in part, dependent on the performance of its key managers and consultants. Failure to retain the managers and consultants, or to attract or retain additional key personnel, with the necessary skills and experience could have a materially adverse impact upon the Company's growth and profitability. In addition, the Group may not be the operator of certain oil and gas properties in which it acquires an interest. Additionally, the Group holds interests in certain of its oil and gas assets indirectly through intermediate companies which it does not control. This lack of control may lead to disputes between the Group and its partners. To the extent the Group is not the operator of its oil and gas properties, it will be dependent on such operators for the timing of activities related to such properties and will be unable to control the activities of the operators.

(d) **General exploration and production risks**

The business of exploration for, and development and exploitation of, hydrocarbon deposits is speculative and involves a high degree of risk, which even a combination of careful evaluation, experience and knowledge may not eliminate. Hydrocarbon deposits assessed by the Group as contingent resources may not ultimately contain economically recoverable hydrocarbon reserves and even if they do, delays in the construction and commissioning of production projects or other technical difficulties may result in any projected target dates for production being delayed or further capital expenditure being required.

The operations of the Group may be disrupted, curtailed, delayed or cancelled by a variety of risks and hazards which are beyond the control of the Group, including unusual or unexpected geological formations, formation pressures, geotechnical and seismic factors, environmental hazards, industrial accidents, occupational and health hazards, technical failures, mechanical difficulties, equipment shortages, labour disputes, fires, explosions, power outages and extended interruptions due to inclement or hazardous weather conditions and other acts of God. Any one of these risks and hazards could result in work stoppages, damage to, or destruction of, the Group's facilities, personal injury, damage to life or property, environmental damage or pollution, business interruption, monetary losses and possible legal liability which could have a material adverse impact on the business, operations and financial performance of the Group. Although precautions to minimise risk are taken, even a combination of careful evaluation, experience and

knowledge may not eliminate all of the hazards and risks. In addition, not all of these risks are insurable.

As is common with many exploration ventures, there is uncertainty and therefore risk associated with the Group's operating parameters and costs which can be difficult to predict and are often affected by factors outside of the Group's control. Few exploration assets are ultimately developed into producing assets. There can be no guarantee that any estimates of quantities of hydrocarbons discovered by the Group will be available to exploit or extract. If reserves are developed, it can take significant expenditure and a number of years from the initial phases of drilling and identification of hydrocarbons until production is possible, during which time the economic feasibility of production may change. Substantial expenditures are required to establish hydrocarbon reserves through drilling and, in the case of new projects, to construct processing facilities and other relevant infrastructure. With many natural resources operations there is uncertainty and, therefore, risk associated with operating parameters and costs resulting from the scaling up of extraction methods tested in pilot conditions.

(e) **Hydrocarbon reserve and resource estimates**

No assurance can be given that the hydrocarbon resources and reserves reported by the Group from time to time are present as estimated, that reserves will be recovered in the quantities and at the rates estimated or that they can be brought into profitable production. Hydrocarbon reserve and resource estimates may require revisions and/or changes (either up or down) based on additional technical data, new interpretations of data, actual production experience and in light of the prevailing market price of oil and gas. A decline in the market price for oil and gas could render reserves uneconomic to recover and may ultimately result in a reclassification of reserves as resources.

There are uncertainties inherent in estimating the quantity of reserves and resources and in projecting future rates of production, including factors beyond the Group's control. Estimating the amount of hydrocarbon reserves and resources is an interpretive process and, in addition, results of drilling, testing and production subsequent to the date of an estimate may result in material revisions to original estimates.

The hydrocarbon resources data historically reported by the Company are estimates only and should not be construed as representing exact quantities. The nature of quantification studies means that there can be no guarantee that estimates of quantities and quality of the resources disclosed will be available for extraction. Therefore, actual production, revenues, cash flows, royalties and development and operating expenditures may vary from these estimates. Such variances may be material. Estimates of resources as reported by the Company may be based upon production data, prices, costs, ownership, geophysical, geological and engineering data, and other information assembled by the Group (which it may not necessarily have produced itself). The estimates may prove to be incorrect and potential investors should not place reliance on the forward-looking statements contained in such reports (including data that has been expressed to have been certified by the relevant competent persons or otherwise).

Hydrocarbon reserves and resources estimates are expressions of judgment based on knowledge, experience and industry practice.

Estimates that were reasonable when made may change significantly when new information from additional analysis and drilling becomes available. This may result in alterations to development and production plans which may, in turn, adversely affect operations. If the assumptions upon which the estimates of the Group's hydrocarbon resources and reserves have been based prove to be incorrect, the Group (or the operator of an asset in which the Group has an interest) may be unable to recover and produce the estimated levels or quality of hydrocarbons and the Group's business, prospects, financial condition or results of operations could be materially and adversely affected.

(f) **Farm-out and joint venture partners**

From time to time, the Group may enter into farm-out agreements to fund a portion of the exploration and development costs associated with its assets. In addition, other companies may operate some of the assets in which the Group has an ownership interest. Liquidity and cash flow problems encountered by the Group's partners and co-owners of such assets and any non-compliance or disagreements by the partners and co-owners (including, without limitation, disputes as to funding required or otherwise) may lead to a delay in the pace of exploration, development or production programmes that may be detrimental to such programmes or may otherwise have adverse consequences for the Group. In addition, any farm-out partners and working interest owners may be unwilling or unable to pay their share of the costs of projects as they become due. In the case of a farm-out partner, the Group may have to obtain alternative funding in order to complete the exploration and development of the assets subject to the farm-out agreement. In the case of a working interest owner, the Group may be required to pay the working interest owner's share of the project costs in order to protect its interest in the asset. The Group cannot assure investors that it would be able to obtain the capital necessary in order to fund either of these contingencies. It is also possible that the interests of the Group and those of its joint venture partners (who may have other interests and who may prefer to dedicate their resources to other projects) are not aligned resulting in project delays or additional costs or losses.

Government approval may be required for farm-out transactions and negotiations with the government could delay exploration or development programmes or negatively impact the existing economics on a given Block. The Group may from time to time seek farm-out partners. There can be no certainty that the Group will be successful in these searches. Should this be the case, the Group will continue to be responsible for the costs associated with its participating interest in such Blocks and if the Group fails to allocate funds towards the minimum work programmes then there is a risk that the Group will lose its interest in such Blocks.

(g) **Volatility in the price of oil and gas and the general economic climate**

The general economic climate and market price of, and demand for, oil and gas is volatile and is affected by a variety of factors which are beyond the Group's control. These include international supply and demand, the level of consumer product demand, weather conditions, the price and availability of alternative fuels, growth in gross domestic product, supply and demand of capital, employment trends, international economic trends, currency exchange rate fluctuations, the level of interest rates and the rate of inflation, the cost of freight, global

or regional political events and international events, as well as a range of other market forces. The aggregate effect of these factors is impossible to predict. Sustained downward movements in oil and gas prices could render less economic, or wholly uneconomic, some or all of the exploration and potential future oil and gas production related activities to be undertaken by the Group.

(h) **Availability of drilling, exploration and production equipment**

The availability of drilling rigs and other equipment and services is affected by the level and location of drilling activity around the world. An increase in drilling operations outside the current focus area of the Group or in other areas may reduce the availability of equipment and services to the Group. Similarly, the Group may have difficulty sourcing the exploration and production equipment it requires in the timeframe envisaged by the Group's plans due to high global demand for such equipment. The reduced availability of equipment and services may delay the Group's ability to exploit any reserves and adversely affect the Group's operations and profitability.

(i) **Government regulations and permits**

The Company's exploration and appraisal blocks are located in Alaska, and production leases in onshore Texas, and there are a number of risks which the Group is unable to control. There is a risk that the Group's activities will be adversely affected by economic and political factors such as the imposition of additional taxes and charges, cancellation or suspension of licences and permits, expropriation, war, terrorism, insurrection and changes to the laws and regulations governing petroleum exploration and development, including labour standards and occupational health, site safety, toxic substances and other matters.

Governmental approvals, licences and permits (including the documents relating to the Blocks) are, as a practical matter, subject to the discretion of the applicable governments or governmental offices. The Group must comply with existing standards, laws and regulations that may entail greater or lesser costs and delays, depending on the nature of the activity to be permitted and the permitting authority.

The Group's intended activities are dependent upon the documents relating to the Blocks and other appropriate licences, concessions, leases, permits and regulatory consents which could subsequently be withdrawn or made subject to limitations. There can be no guarantee as to the terms of any such concessions or assurance that current concessions or future concessions will be renewed or, if so, on what terms when they come up for renewal. Although the Directors believe that the Group's activities are currently carried out in accordance with all applicable rules and regulations, no assurance can be given that new rules, laws and regulations will not be enacted or that existing or future rules and regulations will not be applied in a manner which could serve to limit or curtail exploration, production or development of the Group's business or have an otherwise negative impact on its activities. Amendments to existing rules, laws and regulations governing the Group's operations and activities, or increases in or more stringent enforcement, implementation or interpretation thereof, could have a material adverse impact on the Group's business, results of operations

and financial condition and its industry in general in terms of additional compliance costs.

(j) **Expropriation Risk**

There can be no assurance that the Government (or regional government) will not take any actions in the future that are adverse to the Group's ownership of its assets and its ability to operate in the country.

(k) **Dependence on key executives and personnel**

The future performance of the Group will to a significant extent be dependent on its ability to retain the services and personal connections or contacts of key executives and to attract, recruit, motivate and retain other suitably skilled, qualified and industry experienced personnel to form a high calibre management team. Such key executives are expected to play an important role in the development and growth of the Group, in particular by maintaining good business relationships with regulatory and governmental departments and essential contractors and suppliers.

Although certain key executives and personnel have entered into service agreements or letters of appointment with the Group, there can be no assurance that the Group will retain their services. The loss of the services of any of the key executives or personnel may have a material adverse effect on the business, operations, relationships and/or prospects of the Group.

(l) **Labour**

Certain of the Group's operations may be carried out under potentially hazardous conditions. Whilst the Group intends to operate in accordance with relevant health and safety regulations and requirements, the Group remains susceptible to the possibility that liabilities might arise as a result of accidents or other workforce-related misfortunes, some of which may be beyond the Group's control. Shortage of labour or of skilled workers may cause delays or restrictions during exploration and development activities.

(m) **Risks associated with the need to maintain an effective system of internal controls**

The Group faces risks frequently encountered by developing companies such as under-capitalisation, cash shortages and limited resources. In particular, its future prospects will depend on its ability to manage growth and to continue to maintain, expand and improve operational, financial and management information systems on a timely basis, whilst at the same time maintaining effective cost controls. Any damage to, failure of or inability to maintain, expand and upgrade effective operational, financial and management information systems and internal controls in line with the Group's growth could have a material adverse effect on the Group's business, financial condition and results of operations.

(n) **Environmental, health and safety and other regulatory standards**

The projects in which the Group invests and its exploration and potential production activities are subject to various laws and regulations relating to the protection of the environment (including regular environmental

impact assessments and the obtaining of appropriate permits or approvals by relevant environmental authorities) and are also required to comply with applicable health and safety and other regulatory standards. Environmental legislation in particular can, in certain jurisdictions, comprise numerous regulations which might conflict with one another and which cannot be consistently interpreted.

Such regulations typically cover a wide variety of matters including, without limitation, prevention of waste, pollution and protection of the environment, labour regulations and worker safety. The Group may also be subject under such regulations to clean-up costs and liability for toxic or hazardous substances which may exist on or under any of its properties or which may be produced as a result of its operations. As a result, although all necessary environmental consents for the Group's activities will be obtained and the Group intends to operate in accordance with applicable petroleum industry standards of environmental practice and comply in all material respects, full compliance with applicable environmental laws and regulations may not always be ensured.

Any failure to comply with relevant environmental, health and safety and other regulatory standards may subject the Group to extensive liability, fines and/or penalties and have an adverse effect on the business and operations, financial results or financial position of the Group. Furthermore, the future introduction or enactment of new laws, guidelines and regulations could serve to limit or curtail the growth and development of the Group's business or have an otherwise negative impact on its operations. Any changes to, and increases in, current regulation or legal requirements may have a material adverse effect upon the Group in terms of additional compliance costs.

(o) **Decommissioning and abandonment**

Upon cessation of any operations on a Block, the Group is responsible for costs associated with abandoning infrastructure and restoring the operational sites by taking reasonable and necessary steps in accordance with generally accepted environmental practices in the international petroleum industry. The Group's environmental permits may specify commitments to governmental bodies for specific rehabilitation activities. At the end of the exploitation period, the relevant authority will confirm fulfilment, or require further work as necessary, to meet the permit conditions.

(p) **Retention of key business relationships**

The Group will rely significantly on strategic relationships with other entities, on good relationships with regulatory and governmental departments and upon third parties to provide essential contracting services. There can be no assurance that its existing relationships will continue to be maintained or that new ones will be successfully formed, and the Group could be adversely affected by changes to such relationships or difficulties in forming new ones. Any circumstance which causes the early termination or non-renewal of one or more of these key business alliances or contracts could adversely impact the Group, its business, operating results and prospects.

(q) **Project development risks**

There can be no assurance that the Group will be able to manage effectively the expansion of its operations or that the Group's current personnel, systems, procedures and controls will be adequate to support the Group's operations. This includes, among other things, the Group managing the acquisition of required land tenure, infrastructure development and other related issues affecting local and indigenous populations, their cultures and religions. Any failure of the Board to manage effectively the Group's growth and development could have a material adverse effect on the Group's business, financial condition and results of operations. There is no certainty that all or, indeed, any of the elements of the Group's current strategy will develop as anticipated and that the Group will be profitable.

(r) **Payment obligations, work commitments and other obligations under Blocks related agreements**

Under the agreements relating to the Blocks or otherwise to which the Group is, or may in the future become, a party, the Group is, or may become, subject to payment obligations, work commitments and other obligations. If such obligations are not complied with when due, in addition to any other remedies which may be available to other parties, this could result in dilution or forfeiture of interests held by the Group. The Group may not have, or be able to obtain, funding for all such obligations as they arise.

(s) **The Group's objectives may not be fulfilled**

The ability of the Board to implement the Group's strategy could be adversely affected by changes in the economy and/or industries in which it operates. Although the Group has a clearly defined strategy there can be no guarantee that its objectives or any of them will be achieved on a timely basis or at all. In particular, further projects and/or opportunities may not be available or of the quality or in the number required to satisfy the Group's requirements and therefore the anticipated development or growth of the Group may not be achieved. The Group's ability to attract new growth opportunities is also dependent on the maintenance of its reputation.

6.3 General Risks

(a) **Additional requirements for capital**

The funds raised under the Offer are considered sufficient to meet the current proposed objectives of the Company. Additional funding may be required in the event future costs exceed the Company's estimates and to effectively implement its business and operations plans in the future, to take advantage of opportunities for acquisitions, joint ventures or other business opportunities, and to meet any unanticipated liabilities or expenses which the Company may incur.

The Company may seek to raise further funds through equity or debt financing, joint ventures or other means. Failure to obtain sufficient financing for the Company's activities and future projects may result in delay and indefinite postponement of its research and development programmes. There can be no assurance that additional finance will be available when needed or, if available, the terms of the financing might

not be favourable to the Company and might involve substantial dilution to Shareholders.

(b) **General economic conditions**

Economic conditions, both domestic and global, may affect the performance of the Company. Factors such as fluctuations in currencies, commodity prices, inflation, interest rates, supply and demand and industrial disruption may have an impact on operating costs and share market prices. The Company's future possible revenues and Share price can be affected by these factors, all of which are beyond the control of the Company or its Directors.

(c) **Equity market conditions**

Securities listed on the stock market can experience extreme price and volume fluctuations that are often unrelated to the operating performances of such companies. The market price of Shares may fall as well as rise and may be subject to varied and unpredictable influences on the market for equities in general.

General factors that may affect the market price of Shares include economic conditions in Australia, the United Kingdom and internationally (particularly Australian, US and Chinese economic conditions), investor sentiment, local and international share market conditions, changes in interest rates and the rate of inflation, variations in commodity prices, the global security situation and the possibility of terrorist disturbances, changes to government regulation, policy or legislation, changes which may occur to the taxation of companies as a result of changes in Australian and foreign taxation laws, changes to the system of dividend imputation in Australia, and changes in exchange rates.

AIM is a market designed primarily for emerging or smaller companies to which a higher investment risk tends to be attached than to larger or more established companies. AIM securities are not admitted to the Official List of the UK Listing Authority. A prospective investor should be aware of the risks of investing in such companies and should make the decision to invest only after careful consideration and, if appropriate, consultation with an independent financial adviser.

(d) **Change in government policy and legislation**

Any material adverse changes in relevant government policies or legislation of Australia may affect the viability and profitability of the Company, and consequent returns to investors. The activities of the Company are subject to various federal, state and local laws governing prospecting, development, production, taxes, labour standards and occupational health and safety, and other matters.

6.4 Investment Speculative

The above list of risk factors ought not to be taken as exhaustive of the risks faced by the Company or by investors in the Company. The above factors, and others not specifically referred to above, may in the future materially affect the financial performance of the Company and the value of the securities offered under this Offer Document. Therefore, the securities to be issued pursuant to this Offer Document carry no guarantee with respect to the payment of dividends, returns of capital or the market value of those securities.

Potential investors should consider that the investment in the Company is speculative and should consult their professional advisers before deciding whether to apply for securities pursuant to this Offer Document.

7. DEFINED TERMS

\$ or **A\$** means an Australian dollar.

£ or **GBP** means UK pound sterling.

Additional Shares means those New Shares not issued under the Offer.

Alaskan Blocks means certain oil and gas leases located on the Central North Slope of Alaska in which the Company has an interest.

Applicant refers to an Eligible Shareholder who submits an Entitlement and Acceptance Form, or submits a payment of subscription monies in respect of the Offer, or an Eligible Depository Interest Holder who has applied to take up their Entitlement in CREST.

Application refers to the submission of an Entitlement and Acceptance Form or Shortfall Application Form (as the case may be) or, as applicable, an application in respect of an Entitlement in CREST.

AIM means the AIM Market operated by London Stock Exchange Plc.

AIM Rules means the AIM Rules for Companies published by London Stock Exchange Plc from time to time.

ASX means ASX Limited (ACN 008 624 691) or, where the context permits, the Australian Securities Exchange operated by ASX Limited.

ASX Listing Rules means the Listing Rules of the ASX.

Blocks means the Alaskan Blocks and the Texan Blocks.

Closing Date means, as applicable in respect of Eligible Shareholders and Eligible Depository Interest Holders respectively, the relevant closing date set out in Section 3.4 or such other date as may be determined by the Directors.

Company means 88 Energy Limited (ACN 072 964 179).

Corporations Act means the *Corporations Act 2001* (Cth).

CREST means the computerised settlement system operated by Euroclear, which facilitates the transfer of title to securities in uncertificated form.

CREST Excess Entitlements means the right for Eligible Depository Interest Holders to apply for Additional Shares.

CREST Manual means the rules governing the operation of CREST consisting of the CREST Reference Manual, the CREST International Manual, the CREST Central Counterparty Service Manual, the CREST Rules, the CCSS Operations Manual, the Daily Timetable, the CREST Application Procedures and the CREST Glossary of Terms (as updated in November 2001).

Depository means Computershare Investor Services PLC acting in its capacity as Depository pursuant to the terms of the agreement for the provision of depositing services entered into between the Company and Computershare Investor Services PLC and, as relevant, includes its nominee on the Company's register of members.

Depository Interests or **DIs** means the depository interests issued by the Depository representing an entitlement to a Share which may be traded through CREST in dematerialised form.

Depository Interest Holder means a holder of Depository Interests in respect of and representing Shares as set out on the register of Depository Interest Holders of the Depository.

Directors mean the directors of the Company.

Eligible Depository Interest Holder means a Depository Interest Holder as set out on the register of Depository Interest Holders of the Depository on the Record Date (other than such persons who are resident in a Restricted Jurisdiction).

Eligible Shareholder means a Shareholder whose details appear on the Company's register of Shareholders as at the Record Date whose registered address is in Australia, New Zealand or the United Kingdom.

Entitlement means the entitlement to subscribe for one (1) New Share for every ten (10) Shares held by an Eligible Shareholder or (as the case may be) an Eligible Depository Interest Holder on the Record Date.

Entitlement and Acceptance Form means the Entitlement and Acceptance Form accompanying this Offer Document.

Exchange Rate means the exchange rate of A\$1 = £0.5247, being the closing exchange rate set by the Reserve Bank of Australia on 27 July 2023.

Euroclear means Euroclear UK & International Limited, the operator of CREST.

FCA means the United Kingdom's Financial Conduct Authority.

FSMA means the United Kingdom's Financial Services and Markets Act 2000, as amended.

Group means the Company and its subsidiaries.

Ineligible Depository Interest Holder means a holder of Depository Interests who is not an Eligible Depository Interest Holder.

Lead Manager means Euroz Hartleys Limited.

Money Laundering Regulations means the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017, as amended.

New Share means a new Share proposed to be issued pursuant to this Offer (or, as applicable in the context, a Depository Interest in respect of such Share).

Offer or **Rights Issue** means the pro rata non-renounceable offer of New Shares at an issue price of A\$0.006/£0.0031 each on the basis of one (1) New Share for every ten (10) Shares held (or, for Eligible Depository Interest Holders, in respect of which Depository Interests are held) on the Record Date subscribed for pursuant to this Offer Document.

Offer Document means this Offer Document.

Opening Date means the opening date set out in Section 3.4 of this Offer Document.

Prospectus Regulation Rules means the rules made for the purposes of Part VI of FSMA in relation to offers of securities to the public and admission of securities to trading on a regulated market.

Record Date means, as applicable in respect of Eligible Shareholders and Eligible Depositary Interest Holders respectively, the relevant record date set out in Section 3.4 of this Offer Document.

Regulatory Information Service means a service approved by the FCA for the distribution to the public of regulatory announcements.

Restricted Jurisdiction means each and any jurisdiction outside of Australia, New Zealand and the United Kingdom, or otherwise where the extension or availability of the Offer would breach any applicable law or regulations.

Section means a section of this Offer Document.

Share means an ordinary fully paid share in the capital of the Company.

Shareholder means a holder of Shares.

Share Registry means Computershare Investor Services Pty Limited.

Shortfall means those Shares under the Offer not applied for by Eligible Shareholders or Eligible Depositary Interest Holders under their Entitlement.

Shortfall Offer means as defined in Section 4.4 of this Offer Document.

Texan Blocks means certain oil and gas leases located in the Permian Basin on onshore Texas, U.S.A, in which the Company has an interest.

US Person means a person who receives the Offer when they are located in either the United States of America.