

BPH ENERGY LIMITED

ACN 095 912 002

PROSPECTUS

This Prospectus includes a pro-rata non-renounceable entitlement issue of up to one (1) Loyalty Option for every eight (8) Shares held by those Shareholders registered on the Record Date at a subscription price of \$0.004 per Loyalty Option to raise up to \$438,799 (based on the number of Shares on issue as at the date of this Prospectus) (**Loyalty Options Offer**).

IMPORTANT NOTICE

This document is important and should be read in its entirety. If after reading this Prospectus you have any questions about the Securities being offered under this Prospectus or any other matter, then you should consult your stockbroker, accountant or other professional adviser.

The Securities offered by this Prospectus should be considered as speculative.

TABLE OF CONTENTS

1.	KEY OFFER INFORMATION	1
2.	DETAILS OF THE OFFER	6
3.	PURPOSE AND EFFECT OF THE OFFER.....	12
4.	RIGHTS AND LIABILITIES ATTACHING TO SECURITIES.....	16
5.	RISK FACTORS	21
6.	ADDITIONAL INFORMATION.....	35
7.	DIRECTORS' AUTHORISATION.....	43
8.	DEFINITIONS	44

IMPORTANT NOTICE

This Prospectus is dated 24 March 2023 and was lodged with the ASIC on that date. The ASIC, ASX and their respective officers take no responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates.

No Options may be issued on the basis of this Prospectus later than 13 months after the date of this Prospectus.

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

It is important that investors read this Prospectus in its entirety and seek professional advice where necessary. The Securities offered by this Prospectus should be considered as highly speculative.

Applications for Options offered pursuant to this Prospectus can only be made by an original Entitlement and Acceptance Form or Shortfall Application Form.

This Prospectus is a transaction specific prospectus for an offer of continuously quoted securities (as defined in the Corporations Act) and has been prepared in accordance with section 713 of the Corporations Act. It does not contain the same level of disclosure as an initial public offering prospectus and is only required to contain information in relation to the effect of the issue of securities on a company and the rights attaching to the securities. It is not necessary to include general information in relation to all of the assets and liabilities, financial position, profits and losses or prospects of the issuing company.

Representations contained in this Prospectus are made taking into account that the Company is a disclosing entity for the purposes of the Corporations Act and certain matters are publicly available information or may reasonably be expected to be known to investors and professional advisers whom prospective investors may consult.

No Investment Advice

The information contained in this Prospectus is not financial product advice or investment advice and does not take into account your

financial or investment objectives, financial situation or particular needs (including financial or taxation issues). You should seek professional advice from your accountant, financial adviser, stockbroker, lawyer or other professional adviser before deciding to subscribe for Securities under this Prospectus to determine whether it meets your objectives, financial situation and needs.

Forward-looking statements

This Prospectus 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 Prospectus, 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 the Company, the Directors and the Company's management.

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

The Company has 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 Prospectus, except where required by law.

These forward-looking statements are subject to various risk factors that could cause the Company's actual results to differ materially from the results expressed or anticipated in these statements. These risk factors are set out in Section 5.

Overseas shareholders

This Offer 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 Prospectus.

Accordingly, the Offer is not being extended and Securities will not be issued to Shareholders with a registered address which is outside Australia or New Zealand.

For further information on overseas Shareholders please refer to Section 2.11.

Target Market Determination

In accordance with the design and distribution obligations under the Corporations Act, the Company has determined the target market for the offer of Options issued under this Prospectus. The Company will only distribute this Prospectus to those investors who fall within the target market determination (TMD) as set out on the Company's website (www.bphenergy.com.au).

By making an application under the Offer, you warrant that you have read and understood the TMD and that you fall within the target market set out in the TMD.

Financial forecasts

The Directors have considered the matters set out in ASIC Regulatory Guide 170 and believe that they do not have a reasonable basis to forecast future earnings on the basis that the operations of the Company are inherently uncertain.

Accordingly, any forecast or projection information would contain such a broad range of potential outcomes and possibilities that it is not possible to prepare a reliable best estimate forecast or projection.

Continuous Disclosure Obligations

The Company is a "disclosing entity" (as defined in section 111AC of the Corporations Act) for the purposes of section 713 of the Corporations Act and, as such, is subject to regular reporting and disclosure obligations. Specifically, like all listed companies, the Company is required to continuously disclose any information it has to the market which a reasonable person would expect to have a material effect on the price or the value of the Securities.

This Prospectus 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 all of the information that would be included in a prospectus for an initial public offering of securities in an entity that is not already listed on a stock exchange. 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.

Having taken such precautions and having made such enquires as are reasonable, the Company believes that it has complied with the general and specific requirements of ASX as applicable from time to time throughout the three months before the issue of this Prospectus which required the Company to notify ASX of information about specified events or matters as they arise for the purpose of ASX making that information available to the stock market conducted by ASX.

Please refer to Section 6 for further details.

Definitions and Time

Unless the contrary intention appears or the context otherwise requires, words and phrases contained in this Prospectus have the same meaning and interpretation as given in the Corporations Act and capitalised terms have the meaning given in the Glossary in Section 8.

All references to time in this Prospectus are references to Australian Western Standard Time.

Electronic Prospectus

A copy of this Prospectus can be downloaded from the website of the Company at www.bphenergy.com.au. If you are accessing the electronic version of this Prospectus for the purpose of making an investment in the Company, you must be an Australian or New Zealand resident and must only access this Prospectus from within Australia or New Zealand.

The Corporations Act prohibits any person passing onto another person an Application Form unless it is attached to a hard copy of this Prospectus or it accompanies the complete and unaltered version of this Prospectus.

You may obtain a hard copy of this Prospectus free of charge by contacting the Company by phone on + 61 08 9328 8366 during

office hours or by emailing the Company at admin@bphenergy.com.au.

The Company reserves the right not to accept an Application Form from a person if it has reason to believe that when that person was given access to the electronic Application Form, it was not provided together with the electronic Prospectus and any relevant supplementary or replacement prospectus or any of those documents were incomplete or altered.

Clearing House Electronic Sub-Register System (CHES) and Issuer Sponsorship

The Company will apply to participate in CHES, for those investors who have, or wish to have, a sponsoring stockbroker. Investors who do not wish to participate through CHES will be issuer sponsored by the Company.

Electronic sub-registers mean that the Company will not be issuing certificates to investors. Instead, investors will be provided with statements (similar to a bank account statement) that set out the number of Securities issued to them under this Prospectus. 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 CHES and issuer sponsorship.

Electronic sub-registers also mean ownership of securities can be transferred without having to rely upon paper documentation. 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.

Privacy Statement

If you complete an Application Form, you will be providing personal information to the Company. The Company collects, holds and will use that information to assess your application, service your needs as a Shareholder and to facilitate distribution payments and corporate communications to you as a Shareholder.

The information may also be used from time to time and disclosed to persons inspecting the register, including 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 share registry.

You can access, correct and update the personal information that we hold about you. If you wish to do so, please contact the share registry at the relevant contact number set out in this Prospectus.

Collection, maintenance and disclosure of certain personal information is governed by legislation including the Privacy Act 1988 (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 application for Securities, the Company may not be able to accept or process your application.

Company Website

No documents or other information available on the Company's website is incorporated into this Prospectus by reference.

Enquiries

If you are in any doubt as to how to deal with any of the matters raised in this Prospectus, you should consult with your broker or legal, financial or other professional adviser without delay. Should you have any questions about the Offer or how to accept the Offer please call the Company Secretary on +61 08 9328 8366.

CORPORATE DIRECTORY

Directors

David Breeze
Chairman and Managing Director

Tony Huston
Non-Executive Director

Charles Maling
Non-Executive Director

Company Secretary

David Breeze

Registered Office

Unit 12, Level 1
114 Cedric Street
STIRLING WA 6021

Telephone: +61 08 9328 8366

Facsimile: +61 08 9328 8733

Website: www.bphenergy.com.au

Email: admin@bphenergy.com.au

ASX Codes: BPH, BPHOB

Auditor*

HLB Mann Judd
Level 4
130 Stirling Street
PERTH WA 6000

Share Registry*

Advanced Share Registry Services
110 Stirling Highway
NEDLANDS WA 6009

Solicitors

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

*These entities have not been involved in the preparation of this Prospectus and have not consented to being named in this Prospectus. They have been included for information purposes only.

1. KEY OFFER INFORMATION

1.1 Timetable*

Lodgement of Prospectus with the ASIC & ASX and Appendix 3B with ASX	Friday, 24 March 2023
Ex-date	Wednesday, 29 March 2023
Record Date for determining Entitlements to Loyalty Options	Thursday, 30 March 2023
Offers opening date, prospectus sent out to Shareholders and Company announces this has been completed	Tuesday, 4 April 2023
Last day to extend the Closing Date of the Offers	12:00pm (AWST) Friday, 5 May 2023
Closing Date for Offers**	Wednesday, 10 May 2023
Loyalty Options quoted on a deferred settlement basis	Thursday, 11 May 2023
Announcement of results of issue	Monday, 15 May 2023
Issue date and lodgement of Appendix 2A with ASX applying for quotation of the Loyalty Options	Monday, 15 May 2023
Quotation of Options issued under the Offers***	Tuesday, 16 May 2023
Closing Date of Shortfall Offer	Within 3 months from the date of the Prospectus

* This timetable is indicative only and subject to change without notice. The Company reserves the right to amend any or all of these dates and times, subject to the ASC Listing Rules, Corporations Act and other applicable laws.

** The Directors may extend the Closing Date by giving at least 3 Business Days' notice to ASX prior to the Closing Date. Accordingly, the date the Loyalty Options are expected to commence trading on ASX may vary.

***Quotation of the Loyalty Options is subject to the Company satisfying the quotation requirements set out in Chapter 2 of the ASX Listing Rules.

1.2 Key Offer Information

Ratio	1:8
Subscription Price per Loyalty Option:	\$0.004
Exercise Price of Loyalty Options	\$0.03
Expiry Date of Loyalty Options	30 September 2024
Quotation terms	Quoted
Maximum Loyalty Options² to be issued under Offer¹	109,699,865
Maximum Options to be issued under the Placement ²	414,600
Maximum proceeds of Loyalty Options Offer and Placement³	\$440,458 ⁴

Notes:

1. Based on 877,598,921 Shares currently on issue as at the date of this Prospectus and assuming no additional Shares are issued, including by exercise of Options, prior to the Record Date.
2. Refer to Section 4.2 for the terms of the Options offered under this Prospectus.
3. Refer to Section 2.3 for details on the Company's Placement (defined below).
4. Comprising \$438,799 raised under the Loyalty Options Offer and \$1,658 raised under the Placement.

1.3 Key Risk Factors

Prospective investors should be aware that subscribing for Options involves a number of risks and an investment in the Company should be considered as highly speculative. The future performance of the Company and the value of the Options may be influenced by a range of factors, many of which are largely beyond the control of the Company and the Directors. The key risks associated with the Company's business, the industry in which it operates and general risks applicable to all investments in listed securities and financial markets generally are set out in Section 5.

The predominant risks relating to the Company and the Offers are summarised below:

Risk	Description
Potential for dilution	<p>No immediate dilution will occur as a result of the issue of Options under this Prospectus. However subsequent exercise of any or all of the Options will result in dilution. Assuming all Options offered pursuant to this Prospectus are issued and exercised into Shares, Shareholders who do not participate in the Loyalty Options Offer, are likely to be diluted by an aggregate of approximately 11.11% (as compared to their holdings and number of Shares on issue as at the date of the Prospectus).</p> <p>It is not possible to predict what the value of the Company, a Share or an Option will be following the completion of the Offers being implemented and the Directors do not make any representation as to such matters.</p>

Risk	Description
Oil and Gas risks	The Company has a 36.1% interest in Advent Energy Ltd (Advent). Risks associated with this significant investment include but are not limited to risks associated with failure to discover an economic reserve or successfully produce from a reserve, fluctuations in oil and gas prices, no guarantee of permit renewals or granting of production licences, all of which could have a material adverse effect on the Company's investment.
Going Concern	<p>The Company's annual financial report for the year ending 30 June 2022 (Annual Report) and the half year report for the period ended 31 December 2022 (Half Year Report) have been prepared on a going concern basis, which assumes the continuity of normal business activities and the realisation of assets and the settlement of liabilities in the ordinary course of business and the realisation of assets and the settlement of liabilities in the ordinary course of business.</p> <p>The Directors have prepared cash flow forecasts, including potential capital raisings, which indicate that the consolidated entity should have sufficient cash flows for a period of at least 12 months from the date of the Annual Report. In arriving at this position, it is the opinion of the Directors the going concern basis of preparation is appropriate. The financial statements do not include any adjustments relative to the recoverability and classification of recorded asset amounts or, to the amounts and classification of liabilities that might be necessary should the entity not continue as a going concern.</p> <p>Should the consolidated entity not be successful in raising additional funds through the issue of new equity, there is a material uncertainty that may cast significant doubt as to whether or not the consolidated entity will be able to continue as a going concern and therefore, whether it will realise its assets and discharge its liabilities as and when they fall due, in the normal course of business and at the amounts stated in the financial report.</p>

1.4 Directors' Interests in Securities

The relevant interest of each of the Directors in the Securities of the Company as at the date of this Prospectus, together with their respective entitlement to Loyalty Options, is set out in the table below:

Director	Shares	Options	Entitlement to Loyalty Options ¹	\$A
David Breeze	59,750,805 ²	17,298,110 ³	6,975,400 ³	\$27,902
Tony Huston	9,438,070 ⁴	363,003 ⁵	1,179,759	\$4,719
Charles Maling	5,275,144 ⁶	1,402,891 ⁷	659,393	\$2,638

Notes:

- The above costs of the Director's Entitlements will be deducted from the Director's current loan accounts.
- Comprising:

- (a) 169,346 ordinary Shares in the Company held by Mr Breeze directly; and
 - (b) 59,581,459 held indirectly by Mr Breeze through Trandcorp Pty Ltd and Grandbridge Limited, all entities controlled by Mr Breeze.
3. Comprising:
 - (a) 6,514 listed Options held directly by Mr Breeze exercisable at \$0.03 per Option or before 30 September 2024; and
 - (b) 2,291,596 listed Options held indirectly by Mr Breeze, all of which are exercisable at \$0.03 per Option or before 30 September 2024; and
 - (c) 15,000,000 unlisted Options held indirectly by Mr Breeze and all of which are exercisable at \$0.03 per Option on or before 20 September 2024.
 4. Held directly by Mr Huston.
 5. Held directly by Mr Huston and comprising 363,003 listed Options exercisable at \$0.03 per Option on or before 30 September 2024.
 6. Held directly by Mr Maling.
 7. Held directly by Mr Maling and comprising:
 - (a) 1,200,000 unlisted Options exercisable at \$0.02 per Option on or before 30 November 2024; and
 - (b) 202,891 listed Options exercisable at \$0.03 per Option and on or before 30 September 2024.
 8. This excludes any entitlement of Grandbridge Limited, a company which Mr David Breeze is a director, who will not be participating in the Loyalty Options Offer.

The Board recommends all Eligible Shareholders take up their Entitlements. Messrs David Breeze, Tony Huston and Charles Maling (being the Directors) intend to take up their respective Entitlements in whole or in part at their discretion.

1.5 Details of Substantial Holders

Based on publicly available information as at the date of this Prospectus, those persons which (together with their associates) have a relevant interest in 5% or more of the Shares on issue are set out below:

Shareholder	Shares	Voting Power (%)
Trandcorp Pty Ltd, David Breeze, Grandbridge Limited and Grandbridge Securities Limited ¹	59,750,805	6.81%

Notes:

1. Refer to Section 1.3 above for further details. Trandcorp Pty Ltd (**Trandcorp**), David Breeze (Director) and Grandbridge Limited (**Grandbridge**) are substantial shareholders of the Company. At the date of this Prospectus, Grandbridge holds 0.45% in its own right and Trandcorp holds 6.34% in its own right and together with David Breeze's relevant interest (0.02%), the total voting power of Grandbridge, Trandcorp and David Breeze in the Company is 6.81%. Mr Breeze has a voting power of 32.7% in Grandbridge Limited and 100% in Trandcorp.

1.6 Effect on Control

Based on current shareholding and Entitlements of Shareholders (including substantial Shareholders) as at the date of this Prospectus, regardless of the amount raised under the Offer, no Shareholder will increase their holding, to an amount in excess of 19.99% through applying for their Entitlement to Loyalty Options.

As the Securities offered under this Prospectus do not contain voting rights, the offering of the Loyalty Options under the Offer will not change the voting power in the Company. In order to acquire voting rights, holders of Options will need to exercise their Options received in accordance with their terms.

The likelihood of the Loyalty Options being exercised is dependent on the price of Shares from time to time until the Loyalty Options expire.

1.7 Potential dilution on non-participating Shareholders

No immediate dilution will occur as a result of the issue of the Loyalty Options under this Prospectus. However subsequent exercise of any or all of the Loyalty Options will result in dilution. Assuming all Loyalty Options offered pursuant to this Prospectus are issued and exercised into Shares, Shareholders who do not participate in the Loyalty Options Offer, are likely to be diluted by an aggregate of approximately 11.11% (as compared to their holdings and number of Shares on issue as at the date of the Prospectus).

For illustrative purposes, the table below shows how the dilution may impact the holdings of Shareholders:

Holder	Holding as at Record date	% at Record Date ¹	Entitlements under the Offer	Holdings if Offer not taken Up	% post Offer
Shareholder 1	10,000,000	1.14%	1,250,000	10,000,000	1.01%
Shareholder 2	5,000,000	0.57%	625,000	5,000,000	0.51%
Shareholder 3	1,500,000	0.17%	187,500	1,500,000	0.15%
Shareholder 4	400,000	0.05%	50,000	400,000	0.04%
Shareholder 5	50,000	0.01%	6,250	50,000	0.01%

Notes:

1. This is based on a share capital of 877,598,921 Shares as at the date of the Prospectus and assumes that all existing Options and Options issued under this Prospectus are exercised.
2. The dilutionary effect shown in the table is the maximum percentage on the assumption that those Entitlements not accepted by Eligible Shareholders are placed under the Shortfall Offer. In the event all Entitlements are not accepted and some or all of the resulting Shortfall was not subsequently placed, the dilution effect for each Shareholder not accepting their Entitlement would be a lesser percentage.

2. DETAILS OF THE OFFER

2.1 Background to the Loyalty Options offer

The Company lodged a Loyalty Options Prospectus dated 25 November 2022 for a pro-rata non-renounceable issue of up to one (1) Loyalty Option for every eight (8) Shares, at a subscription price of \$0.004 per Loyalty Option, to raise up to \$431,532 (**November Prospectus**).

The Company was suspended from quotation from 19 December 2022 until 21 March 2023 under Listing Rule 17.3. Due to the Company's current suspension from quotation, the Company did not satisfy the quotation condition within three months of the date of the November Prospectus and as a result, the issue of the Loyalty Options under the November Prospectus will not proceed.

As announced by the Company on 3 March 2023, the Company has lodged this Prospectus for the offer of Loyalty Options to give investors the same right and entitlement to Loyalty Options as under the November Prospectus.

2.2 The Loyalty Options Offer

The Loyalty Options Offer is being made as a pro-rata non-renounceable entitlement offer to acquire one (1) Loyalty Option for every eight (8) Shares held by Shareholders registered at the Record Date, at a subscription price of \$0.004 per Loyalty Option.

Fractional entitlements will be rounded up to the nearest whole number. All references to numbers of Loyalty Options to be issued pursuant to this Prospectus are expressed subject to rounding.

Based on the capital structure of the Company as at the date of this Prospectus, approximately 109,699,865 Loyalty Options will be issued pursuant to the Loyalty Options Offer to raise approximately \$438,799 (before costs).

As at the date of this Prospectus the Company has 289,477,650 Options on issue, all of which may be exercised prior to the Record Date in order to participate in the Loyalty Options Offer. Please refer to Section 3.3 for information on the exercise price and expiry date of the Options on issue.

All of the Loyalty Options offered under this Prospectus will be issued with an exercise price of \$0.03 and an expiry date of 30 September 2024. Full terms and conditions of the Loyalty Options are set out in Section 4.2 of this Prospectus.

All of the Shares issued upon the future exercise of the Loyalty Options offered under Loyalty Options Offer will rank equally with the Shares on issue at the date of this Prospectus. Please refer to Section 4.1 for further information regarding the rights and liabilities attaching to the Shares.

The purpose of the Loyalty Options Offer and the intended use of funds raised are set out in Section 3.

How to take up your Entitlement under the Loyalty Options Offer is set out in Section 2.4 below.

2.3 Placement

Background

Under this Prospectus, the Company may place up to 414,600 additional Options to third parties and current shareholders identified by the Company, with priority given to those shareholders who applied for Loyalty Options under the November Prospectus (**Placement**). Accordingly, the Placement will only be extended to specific parties, on invitation from the Directors. Application Forms will only be provided by the Company to those parties.

Approximately 414,600 Options will be issued under the Placement to raise approximately \$1,658.

All of the Options under the Placement will be issued on the same terms and conditions as the Loyalty Options offered under this Prospectus, with an exercise price of \$0.03 and an expiry date of 30 September 2024. Full terms and conditions of the Options are set out in Section 4.2 of this Prospectus.

All of the Shares issued upon the future exercise of the Options offered under the Placement will rank equally with Shares on issue at the date of this Prospectus. A summary of the rights and liabilities attaching to the Shares is set out in Section 4.1.

The primary purpose of the Placement is set out in Section 3.2.

2.4 Acceptance of the Offer

2.4.1 What Eligible Shareholders may do

The number of Loyalty Options to which Eligible Shareholders are entitled is shown on the personalised Entitlement and Acceptance Form which accompanies this Prospectus. Eligible Shareholders may choose any of the options set out in the table below.

Option	Key Considerations	For more information
Take up all of your Entitlement	<ul style="list-style-type: none">• Should you wish to accept all of your Entitlement, then your application for Loyalty Options under this Prospectus must be made by following the instructions on the personalised Entitlement and Acceptance Form which accompanies this Prospectus. Please read the instructions carefully.• Payment can be made by the methods set out in Section 2.4.2. As set out in Section 2.4.2, if you pay by BPAY you do not need to return the Entitlement and Acceptance Form.	Section 2.4.2
Take up a proportion of your Entitlement and allow the balance to lapse	<ul style="list-style-type: none">• Should you wish to take up only part of your Entitlement and allow the balance to lapse, your application must be made by completing the personalized Entitlement and Acceptance Form for the number of Securities you wish to take up and making payment using the methods set out in Section 2.4.2 below. As set out in Section 2.4.2, if you pay by BPAY, you do not need to return the Entitlement and Acceptance Form.	Sections 2.4.2 Section 2.5

Option	Key Considerations	For more information
Allow all or part of your Entitlement to lapse	<ul style="list-style-type: none"> If you do not wish to accept any part of your Entitlement, you are not obliged to do anything. If you do not take up your Entitlement by the Closing Date, the Offer to you will lapse. 	N/A

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

2.4.2 Payment options

(a) By BPAY®

For payment 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;
- (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; and
- (iii) if you pay more than is required to subscribe for your Entitlement, you will be taken to have applied for Shortfall Securities (if any) under the Shortfall Offer, to the extent of the excess.

You should be aware that your own financial institution may implement earlier cut-off times with regard to electronic payment, and you should therefore take this into consideration when making payment. **It is your responsibility to ensure that funds submitted through BPAY® are received by 5:00pm (WST) on the Closing Date. The Company shall not be responsible for any delay in the receipt of the BPAY® payment.**

Guidance where you have more than one CRN (Shareholding of Shares)

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 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) By Electronic Funds Transfer (overseas applicants)

For payment by Electronic Funds Transfer (EFT) for overseas Eligible Shareholders, please follow the instructions on the Entitlement and Acceptance Form. You can only make a payment via EFT if you are the

holder of an account that supports EFT transactions to an Australian bank account. 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 Loyalty Options which is covered in full by your application monies.

2.5 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 Prospectus and the accompanying Entitlement and Acceptance Form, and read them both in their entirety;
- (b) you acknowledge that once the Entitlement and Acceptance Form is returned, or 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.

2.6 Acceptance of the Placement

The Placement is only available to those who are personally invited to apply. Applications for Options offered under the Placement can only be submitted on an original Application Form which accompanies this Prospectus.

2.7 Minimum subscription

There is no minimum subscription.

2.8 Shortfall Offer

Any Entitlement not taken up pursuant to the Offer will form the Shortfall Offer (**Shortfall Options**). The Shortfall Offer is a separate offer made pursuant to this Prospectus and will remain open for up to three months following the Closing Date. The subscription price for each Loyalty Option to be issued under the Shortfall Offer shall be \$0.004 per Loyalty Option being the price at which Loyalty Options have been offered under the Offer.

All decisions regarding the allocation of Shortfall Options will be made by the Directors, with priority given to those investors who applied for Loyalty Options under the November Prospectus, and any decision by the Directors will be final and binding on all applicants under the Shortfall Offer; as such there is no guarantee that any Shortfall Securities applied for will be issued to Eligible Shareholders.

If you do not wish to take up any part of your Entitlement you are not required to take any action. That part of your Entitlement not taken up will form part of the Shortfall Offer and potentially be allocated to other Eligible Shareholders or other third parties as part of the Shortfall Offer. The Shortfall Offer will only be available where there is a Shortfall between applications received from Eligible

Shareholders and the number of Loyalty Options proposed to be issued under the Offer.

No Shortfall Options will be issued to a party under the Shortfall Offer if the effect would be to increase that party's voting power in the Company to an amount greater than 19.99%. Related Parties, including Directors, are not entitled to participate in the Shortfall Offer.

The Company will have no liability to any Applicant who receives less than the number of Shortfall Securities they applied for under the Shortfall Offer. If the Company scales back any applications for Shortfall Securities under the Shortfall Offer any Application monies will be returned (without interest) as soon as practicable.

2.9 ASX listing

Application for Official Quotation of the Options offered pursuant to this Prospectus will be made in accordance with the timetable set out at Section 1.1. If ASX does not grant Official Quotation of the Options offered pursuant to this Prospectus before the expiration of three months after the date of issue of the Prospectus, (or such period as varied by the ASIC), the Company will not issue any Options and will repay all Application monies for the Shares within the time prescribed under the Corporations Act, without interest.

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

2.10 Issue Securities

Securities issued pursuant to the Offer will be issued in accordance with the ASX Listing Rules and timetable set out at Section 1.

Securities issued pursuant to the Shortfall Offer will be issued on a progressive basis. Where the number of Securities issued is less than the number applied for, or where no issue is made, surplus Application monies will be refunded without any interest to the Applicant as soon as practicable after the closing date of the Shortfall Offer.

Pending the issue of the Securities or payment of refunds pursuant to this Prospectus, all Application monies will be held by the Company 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.

Holding statements for Securities issued under the Offer will be mailed as soon as practicable after the issue of the Securities and for the Shortfall Options issued under the Shortfall Offer, as soon as practicable after their issue.

2.11 Overseas Shareholders

The Loyalty Options Offer 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 Prospectus.

It is not practicable for the Company to comply with the securities laws of overseas jurisdictions having regard to the number of overseas Shareholders, the number

and value of Loyalty Options these Shareholders would be offered and the cost of complying with regulatory requirements in each relevant jurisdiction.

Accordingly, the Offer is not being extended and the Loyalty Options will not be issued to Shareholders with a registered address which is outside Australia or New Zealand.

New Zealand

The Securities are not being offered to the public within New Zealand other than to existing shareholders of the Company with registered addresses in New Zealand to whom the offer of these securities is being made in reliance on the transitional provisions of the Financial Markets Conduct Act 2013 (New Zealand) and the Financial Markets Conduct (Incidental Offers) Exemption Notice 2021 (New Zealand).

This Prospectus has been prepared in compliance with Australian law and has not been registered, filed with or approved by any New Zealand regulatory authority. This document is not a product disclosure statement under New Zealand law and is not required to, and may not, contain all the information that a product disclosure statement under New Zealand law is required to contain.

Nominees and custodians

Nominees and custodians may not submit an Entitlement and Acceptance Form on behalf of any Shareholder resident outside Australia or New Zealand without the prior consent of the Company, taking into account relevant securities law restrictions. Return of a duly completed Entitlement and Acceptance Form will be taken by the Company to constitute a representation that there has been no breach of those regulations.

2.12 Enquiries

Any questions concerning the Loyalty Options Offer should be directed to the Company Secretary, David Breeze, on +61 08 9328 8366.

3. PURPOSE AND EFFECT OF THE OFFER

3.1 Purpose of the Offer

The purpose of the Loyalty Options Offer is to reward Shareholders for supporting the Company and to provide the Company with a potential source of additional capital if Loyalty Options are exercised.

The Loyalty Options Offer will result in the Company raising funds of the Loyalty Options of up to \$438,799 (before costs) and an additional \$1,658 from the Placement. However, the Offer will provide the Company with a potential source of additional capital if the Loyalty Options are exercised in the future (being approximately \$3,303,434 (including the Options offered under the Placement) where all Entitlements are taken up).

The funds raised from the Loyalty Options Offer and Placement are intended to be applied in accordance with the table set out below:

Item	Proceeds of the Offer	Full Subscription (\$)	%
1	Funding for exploration and development of the Company's existing oil and gas investments	\$298,384	68.1%
2	General Working Capital and Expenses of the Offer ²	\$142,073	31.9%
		\$440,457³	100%

Notes:

1. The above table is a statement of current intentions as of the date of this Prospectus. As with any budget, intervening events and new circumstances have the potential to affect the manner in which the funds are ultimately applied. The Board reserves the right to alter the way funds are applied on this basis.
2. Refer to Section 6.7 for further details relating to the estimated expenses of the Loyalty Options Offer. This amount includes \$1,658 which the Company will raise from the Placement and apply directly to the costs of the Loyalty Options Offer.
3. This amount does not include a deduction of \$35,259, being the costs of the Director's Entitlements, which will be deducted from the Director's current loan accounts (**Director Loan Offsets**).

On completion of the Loyalty Options Offer, the Board believes the Company will have sufficient working capital to achieve its stated objectives. In the event the Loyalty Options Offer is not fully subscribed, the Company will have reduced funds for development of its existing projects.

In addition, it should be noted that the Company's budgets and forecasts will be subject to modification on an ongoing basis depending on the results achieved from its business activities and operations.

3.2 Purpose of the Placement

The primary purpose of the Placement is to offer those shareholders who applied for and were issued Loyalty Options under the November Prospectus, and who no longer hold Shares in the Company, the same rights that they received under the November Prospectus. The Placement will result in the Company raising an additional \$1,658 to be applied towards the expenses of the Loyalty Options Offer.

Applications for Options under the Placement should only be made if you are instructed to do so by the Company.

3.3 Effect of the Offer

The principal effect of the Loyalty Options Offer and Placement assuming all Entitlements are accepted, and no Shares are issued including on exercise or conversion of other Securities on issue prior to the Record Date, will be to:

- (a) increase the cash reserves by approximately \$364,465 (after deducting the estimated expenses of the Loyalty Options Offer and Director Loan Offsets) immediately after completion of the Offer and the Placement; and
- (b) increase the number of Options on issue from 289,477,650 as at the date of this Prospectus to approximately 399,592,115 Options following completion of the Offer and the Placement.

3.4 Pro-forma balance sheet

The unaudited balance sheet as at 30 June 2022 and the unaudited pro-forma balance sheet as at 30 June 2022 shown below have been prepared on the basis of the accounting policies normally adopted by the Company and reflect the changes to its financial position.

The pro-forma balance sheet has been prepared assuming all Entitlements are accepted, no Options or convertible securities are exercised prior to the Record Date.

The pro-forma balance sheet has been prepared to provide investors with information on the assets and liabilities of the Company and pro-forma assets and liabilities of the Company as noted below. The historical and pro-forma financial information is presented in an abbreviated form, insofar as it does not include all of the disclosures required by Australian Accounting Standards applicable to annual financial statements.

	AUDITED (\$) 30 June 2022	PROFORMA UNAUDITED (\$) 30 June 2022
CURRENT ASSETS		
Cash and cash equivalents	2,894,998	3,259,463
Trade and other receivables	36,356	36,356
Financial assets	122,574	122,574
TOTAL CURRENT ASSETS	3,053,928	3,418,393
NON-CURRENT ASSETS		
Financial assets	8,192,967	8,192,967
Investments in associates	3,941,702	3,941,702
Other non-current assets	20,000	20,000
TOTAL NON-CURRENT ASSETS	12,154,669	12,154,669

	AUDITED (\$) 30 June 2022	PROFORMA UNAUDITED (\$) 30 June 2022
TOTAL ASSETS	15,208,597	15,573,062
CURRENT LIABILITIES		
Trade and other payables	803,933	768,674
Financial liabilities	104,817	104,817
TOTAL CURRENT LIABILITIES	908,750	873,491
TOTAL LIABILITIES	908,750	873,491
NET ASSETS	14,299,847	14,699,571
EQUITY		
Issued capital	58,844,602	59,244,326
Reserves	1,105,671	1,105,671
Accumulated losses	(45,489,370)	(45,489,370)
Non-controlling interest	(161,056)	(161,056)
TOTAL EQUITY	14,299,847	14,699,571

Notes:

1. The unaudited pro-forma assumes all Entitlements under the Loyalty Options Offer and the Placement are accepted.
2. Refer to Section 6.7 of this Prospectus for further details relating to the estimated expenses of the Offer.

3.5 Effect on capital structure

The effect of the Loyalty Options Offer and the Placement on the capital structure of the Company, assuming all Entitlements are accepted, and no Shares are issued including on exercise or conversion of other Securities on issue prior to the Record Date, is set out below.

Shares

	Number
Shares on issue as at the date of this Prospectus ¹	877,598,921
Shares issued under the Offer	Nil
Total Shares on issue on completion of the Offers	877,598,921

Notes:

1. If any of the existing Options are exercised prior to the Record Date, the number of Shares in the capital of the Company will increase.

Options

	Number
Options currently on issue:	
Unlisted Options, exercisable at \$0.02 each on or before 30 November 2024	1,200,000
Unlisted Options, exercisable at \$0.03 on or before 30 September 2024	15,000,000
Listed Options, exercisable at \$0.03 on or before 30 September 2024	273,277,650
Total Options on Issue	289,477,650
Loyalty Options issued under the Loyalty Options Offer ^{1 2}	109,699,865
Options to be issued under the Placement ²	414,600
Total Options on issue after completion Loyalty Options Offer and Placement	399,592,115

Notes:

1. Based on 877,598,921 Shares currently on issue.
2. Refer to Section 4.2 for the terms of the Loyalty Options and the Options offered under the Placement.

The capital structure on a fully diluted basis as at the date of this Prospectus would be 1,167,076,571 Shares and on completion of the Loyalty Options Offer and Placement (assuming all Entitlements are accepted) would be 1,277,191,036 Shares.

4. RIGHTS AND LIABILITIES ATTACHING TO SECURITIES

4.1 Rights and liabilities attaching to Shares

The following is a summary of the more significant rights and liabilities attaching to the Shares being offered pursuant to this Prospectus. This summary is not exhaustive and does not constitute a definitive statement of the rights and liabilities of Shareholders. To obtain such a statement, persons should seek independent legal advice.

Full details of the rights and liabilities attaching to Shares are set out in the Constitution, a copy of which is available for inspection at the Company's registered office during normal business hours.

(a) General meetings

Shareholders are entitled to be present in person, or by proxy, attorney or representative to attend and vote at general meetings of the Company.

Shareholders may requisition meetings in accordance with section 249D of the Corporations Act and the Constitution of the Company.

(b) Voting rights

Subject to any rights or restrictions for the time being attached to any class or classes of shares, at general meetings of shareholders or classes of shareholders:

- (i) each Shareholder entitled to vote may vote in person or by proxy, attorney or representative;
- (ii) on a show of hands, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder has one vote; and
- (iii) on a poll, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder shall, in respect of each fully paid Share held by him, or in respect of which he is appointed a proxy, attorney or representative, have one vote for each Share held, but in respect of partly paid shares shall have such number of votes as bears the same proportion to the total of such Shares registered in the Shareholder's name as the amount paid (not credited) bears to the total amounts paid and payable (excluding amounts credited).

(c) Dividend rights

Subject to the rights of any preference Shareholders and to the rights of the holders of any shares created or raised under any special arrangement as to dividend, the Directors may from time to time declare a dividend to be paid to the Shareholders entitled to the dividend which shall be payable on all Shares according to the proportion that the amount paid (excluding amounts credited) in respect of such Shares.

The Directors may from time to time pay to the Shareholders any interim dividends as they may determine. No dividend shall carry interest as against the Company. The Directors may set aside out of the profits of the Company any amounts that they may determine as reserves, to be

applied at the discretion of the Directors, for any purpose for which the profits of the Company may be properly applied.

Subject to the ASX Listing Rules and the Corporations Act, the Company may, by resolution of the Directors, implement a dividend reinvestment plan on such terms and conditions as the Directors think fit and which provides for any dividend which the Directors may declare from time to time payable on Shares which are participating Shares in the dividend reinvestment plan, less any amount which the Company shall either pursuant to the Constitution or any law be entitled or obliged to retain, be applied by the Company to the payment of the subscription price of Shares.

(d) **Winding-up**

If the Company is wound up, the liquidator may, with the authority of a special resolution, divide among the Shareholders in kind the whole or any part of the property of the Company, and may for that purpose set such value as he considers fair upon any property to be so divided, and may determine how the division is to be carried out as between the Shareholders or different classes of Shareholders.

The liquidator may, with the authority of a special resolution, vest the whole or any part of any such property in trustees upon such trusts for the benefit of the contributories as the liquidator thinks fit, but so that no Shareholder is compelled to accept any shares or other securities in respect of which there is any liability.

(e) **Shareholder liability**

As the Shares issued will be fully paid shares, they will not be subject to any calls for money by the Directors and will therefore not become liable for forfeiture.

(f) **Transfer of shares**

Generally, shares in the Company are freely transferable, subject to formal requirements, the registration of the transfer not resulting in a contravention of or failure to observe the provisions of a law of Australia and the transfer not being in breach of the Corporations Act and the ASX Listing Rules.

(g) **Future increase in capital**

The issue of any new Shares is under the control of the Directors of the Company. Subject to restrictions on the issue or grant of securities contained in the ASX Listing Rules, the Constitution and the Corporations Act (and without affecting any special right previously conferred on the holder of an existing share or class of shares), the Directors may issue Shares as they shall, in their absolute discretion, determine.

(h) **Variation of rights**

Under section 246B of the Corporations Act, the Company may, with the sanction of a special resolution passed at a meeting of Shareholders vary or abrogate the rights attaching to Shares.

If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class), whether or not the Company is being wound up, may be varied or abrogated with the consent in writing of the holders of three quarters of the issued shares of that class, or if authorised by a special resolution passed at a separate meeting of the holders of the shares of that class.

(i) **Alteration of constitution**

In accordance with the Corporations Act, the Constitution can only be amended by a special resolution passed by at least three quarters of Shareholders present and voting at the general meeting. In addition, at least 28 days written notice specifying the intention to propose the resolution as a special resolution must be given.

4.2 Terms of Options

(a) **Entitlement**

Each Option entitles the holder to subscribe for one (1) Share upon exercise of the Option.

(b) **Exercise Price**

Subject to paragraph (i), the amount payable upon exercise of each Option will be \$0.03 (**Exercise Price**).

(c) **Expiry Date**

Each Option will expire at 5:00pm (WST) on 30 September 2024 (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(d) **Exercise Period**

The Options are exercisable at any time on or prior to the Expiry Date (**Exercise Period**).

(e) **Notice of Exercise**

The Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

(f) **Exercise Date**

A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds (**Exercise Date**).

(g) **Timing of issue of Shares on exercise**

Within 5 Business Days after the Exercise Date, the Company will:

- (i) issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;
- (ii) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and
- (iii) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.

If a notice delivered under (g)(ii) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 Business Days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.

(h) **Shares issued on exercise**

Shares issued on exercise of the Options rank equally with the then issued shares of the Company.

(i) **Reconstruction of capital**

If at any time the issued capital of the Company is reconstructed, all rights of an Optionholder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.

(j) **Participation in new issues**

There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options.

(k) **Change in exercise price**

A Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Option can be exercised.

(l) **Transferability**

The Options are transferable subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities laws.

5. RISK FACTORS

5.1 General

The Options offered under this Prospectus are considered highly speculative. An investment in the Company is not risk free and the Directors strongly recommend potential investors to consider the risk factors described below, together with information contained elsewhere in this Prospectus and to consult their professional advisers before deciding whether to apply for Shares pursuant to this Prospectus.

The future performance of the Company and the value of the Options may be influenced by a range of factors, many of which are largely beyond the control of the Company and the Directors. The key risks associated with the Company's business, the industry in which it operates and general risks applicable to all investments in listed securities and financial markets generally are described below.

The risks factors set out in this Section 5, or other risk factors not specifically referred to, may have a materially adverse impact on the performance of the Company and the value of the Options. This Section 5 is not intended to provide an exhaustive list of the risk factors to which the Company is exposed.

Before determining whether to invest in the Company you should ensure that you have a sufficient understanding of the risks described in this Section 5 and all of the other information set out in this Prospectus and consider whether an investment in the Company is suitable for you, taking into account your objectives, financial situation and needs.

If you do not understand any matters contained in this Prospectus or have any queries about whether to invest in the Company, you should consult your accountant, financial adviser, stockbroker, lawyer or other professional adviser.

The following is not intended to be an exhaustive list of the risk factors to which the Company is exposed.

5.2 Company specific

Risk	Description
Going Concern Risk	<p>The Company's annual financial report for the year ending 30 June 2022 (Annual Report) and the half year report for the period ended 31 December 2022 (Half Year Report) has been prepared on a going concern basis, which assumes the continuity of normal business activities and the realisation of assets and the settlement of liabilities in the ordinary course of business and the realisation of assets and the settlement of liabilities in the ordinary course of business.</p> <p>The Half Year Report notes that the consolidated entity has incurred a net loss before tax for the period ending 31 December 2022 of \$785,225 (2021: loss of \$305,316) and has a working capital surplus of \$5,701,799 as at 31 December 2022 (June 2022: surplus of \$2,145,178).</p> <p>The Directors have prepared cash flow forecasts, including potential capital raisings, which indicate that the consolidated entity should have sufficient cash flows</p>

Risk	Description
	<p>for a period of at least 12 months from the date of the Annual Report. In arriving at this position, it is the opinion of the Directors the going concern basis of preparation is appropriate.</p> <p>Should the consolidated entity not be successful in raising additional funds through the issue of new equity, should the need arise, there is a material uncertainty that may cast significant doubt as to whether or not the consolidated entity will be able to continue as a going concern and therefore, whether it will realise its assets and discharge its liabilities as and when they fall due and in the normal course of business and at the amounts stated in the financial report.</p> <p>The financial statements do not include any adjustments relative to the recoverability and classification of recorded asset amounts or, to the amounts and classification of liabilities that might be necessary should the entity not continue as a going concern.</p>
<p>Additional Requirements for Capital</p>	<p>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.</p>
<p>Potential for dilution</p>	<p>No immediate dilution will occur as a result of the issue of Options under this Prospectus. However subsequent exercise of any or all of the Options will result in dilution. It is not possible to predict what the value of the Company, a Share or an Option will be following the completion of the Offer being implemented and the Directors do not make any representation as to such matters.</p>
<p>Nature of the Company's existing investments</p>	<p>The Company's investments as at 31 December 2022 include its equity investment of 36.1% in Advent Energy Limited with a carrying value of \$3,887,000, a 17.5% interest in Cortical Dynamics Ltd with a carrying value of \$4,055,000, and an 8% interest in Clean Hydrogen Technologies Corporation with a carrying value of \$1,144,000.</p> <p><u>Advent</u></p> <p>As has been announced by the Company, Asset Energy Pty Ltd (a wholly owned subsidiary of the Company's investee Advent Energy) (Asset Energy) applied to the Federal Court (Proceeding Number WAD 106/2022) as Operator for and on behalf of the PEP11 Joint Venture Partners, Bounty Oil and Gas NL (ASX:BUY) and itself (Asset Energy) pursuant to section 5 of the <i>Administrative Decisions (Judicial Review) Act 1977 (Cth)</i> and section 39B of the <i>Judiciary Act 1903 (Cth)</i> to review the decision of the Joint Authority, constituted under section 56 of the <i>Offshore Petroleum and Greenhouse Gas Storage Act 2006 (Cth)</i> (Act), to refuse to vary and suspend the</p>

Risk	Description
	<p>conditions of the PEP11 Permit in the Offshore Sydney Basin (PEP 11 Permit), pursuant to section 264(2) of the Act, and to refuse to extend the term of the PEP 11 Permit, pursuant to section 265 of the Act.</p> <p>On 14 February 2023, the Federal Court Proceedings between Asset Energy and the Respondents (namely, the Commonwealth Minister for Resources et al) were resolved, ending the litigation concerning PEP11 without the need for a trial. The orders made by Justice Jackson (agreeing with the consent orders filed by the parties on 3 February 2023) set aside the decision of the Joint Authority to refuse Asset Energy's application for a variation and suspension of the conditions to which PEP 11 is subject, and a related refusal to grant an extension of the term. Asset Energy's application has been remitted back to the Ministers now comprising the Joint Authority to be re-made according to law.</p> <p>The Directors of the Company have confidence that a suitable outcome will be achieved, however there is no certainty that the application will be successful when considered by the Joint Authority. Subject to the decision of the Joint Authority, Bounty and Asset Energy will move to drill ready status. If the application is unsuccessful, the PEP11 Permit is at risk.</p> <p>In the meantime, the PEP 11 Permit continues in force and the Joint Venture is in compliance with the contractual terms of PEP 11 with respect to such matters as reporting, payment of rents and the various provisions of the Act.</p> <p><u>Clean Hydrogen Technologies Corporation</u></p> <p>BPH's Shareholders approved an investment in a hydrogen technology company, Clean Hydrogen Technologies Corporation (Clean Hydrogen) at a Shareholders' meeting held on 21 June 2022.</p> <p>BPH and Advent (together, the Purchasers) entered into a binding Term Sheet with Clean Hydrogen, pursuant to which the Purchasers agreed to subscribe for fully paid shares in Clean Hydrogen (Subscription Shares), representing a total of 10% of the total issued share capital of Clean Hydrogen after the issue of the Subscription Shares (Subscription Shares Tranche 1).</p> <p>In consideration for the issue of the Subscription Shares Tranche 1 the Purchasers paid to Clean Hydrogen US\$1,000,000 less deposits, loans, and any accrued interest (Cash Consideration), specifically: (a) BPH contributed US\$800,000; and (b) Advent contributed US\$200,000, upon which, 80% of the Subscription Shares Tranche 1 were issued to BPH and the remaining 20% issued to Advent.</p> <p>The Purchasers have a further first right of refusal to invest in Clean Hydrogen to a maximum of a further US\$1,000,000 for a further 10% interest. The first right of refusal occurs when Clean Hydrogen does not seek a Series A Investment in its equity securities comprising a</p>

Risk	Description
	<p>minimum investment of US\$3,000,000 by 30 April 2023. Subject to this, and should the Purchasers exercise their first right of refusal, they must do so within one (1) month of Clean Hydrogen's request for the additional funding.</p> <p>Mr Tony Huston, a director of the Company, has also been appointed as a director to the board of Clean Hydrogen.</p> <p><u>Cortical Dynamics Limited</u></p> <p>Investee Cortical Dynamics Limited (Cortical) is an Australian based medical device neurotechnology company that is developing BARM™, an industry leading EEG (electrical activity) brain function monitor. BARM™ is being developed to better detect the effect of anaesthetic agents on brain activity under a general operation, aiding anaesthetists in keeping patients optimally anaesthetised. The Australian manufactured and designed, electroencephalographically based (EEG-based), BARM™ system is configured to efficiently image and display complex information related to the clinically relevant state of the brain. When commercialized the BARM™ system will be offered on a stand-alone basis or integrated into leading brand operating room monitors as “plug and play” option.</p> <p>BARM™ has already received TGA approval, Korean MFDS approval, the CE mark and the company has now made an application for its Food and Drug Administration (FDA) approval in the USA. The BARM™ system is protected by five patent families in multiple jurisdictions worldwide consisting of 36 granted patents. Cortical will continue to drive the development of BARM™ and maintain its intellectual property.</p> <p>Cortical continues the FDA 510K filing process for BARM™ in the USA assisted by Washington-based technical advisors MCRA. The FDA is the federal agency of the United States Department of Health and Human Services which regulates the sale of medical device products (including diagnostic tests) in the U.S. and monitors the safety of all regulated medical products. FDA approval is a necessary precursor for sales of BARM™ to commence in the USA.</p> <p><u>Further information</u></p> <p>The Company can make no representations that any of the above projects will be successful, that the Company's development milestones will be achieved or that it will develop products that are commercially exploitable.</p> <p>Further, the Company's success depends, in part, on its ability to obtain patents, maintain trade secret protection and operate without infringing the proprietary rights of third parties. Because the patent positions of biotechnology companies can be highly uncertain and</p>

Risk	Description
	<p>frequently involve complex legal and scientific evaluation, neither the breadth of claims allowed in medical device patents, nor their enforceability, can be predicted. There can be no assurance that any patents the Company may own or control or license now and, in the future, will afford the Company commercially significant protection of its intellectual property or its projects or have commercial application.</p>
<p>ASX Re-Compliance</p>	<p>Shareholders should note that any future investment by the Company in medical cannabis will be reviewed by ASX and the Company may be required to re-comply with chapters 1 and 2 of the ASX Listing Rules and there may be necessary escrow implications for the Shares offered under this entitlement issue.</p>
<p>COVID-19</p>	<p>The outbreak of the coronavirus disease (COVID-19) is impacting global economic markets. The nature and extent of the effect of the outbreak on the performance of the Company remains unknown. The Company's Share price may be adversely affected in the short to medium term by the economic uncertainty caused by COVID-19. Further, any governmental or industry measures taken in response to COVID-19 may adversely impact the Company's operations and are likely to be beyond the control of the Company.</p>
<p>Loans and company specific investments</p>	<p>As at 31 December 2022 the Company is owed \$1,627,952 by Advent for investment in oil and gas assets and the Company is also owed \$157,948 by MEC Resources Limited, both loans lent on normal commercial terms.</p> <p>The above conditions indicate a material uncertainty that may affect the ability of Advent to realise the carrying value of the exploration assets in the ordinary course of business and may affect the ability of the Company to realise the carrying value of its loan receivable and its investment in Advent in the ordinary course of business.</p> <p>The funds raised under the Offer are considered sufficient to meet the current proposed objectives of the Company. The Company may seek to raise further funds through equity or debt financing, joint ventures, or other means. 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.</p>
<p>Shares Trading below exercise price of New Options</p>	<p>The price of the Company's Shares trading on ASX may be significantly lower than the exercise price of the Loyalty Options. Should the Share price not trade at or above the exercise price of the Loyalty Options, the Loyalty Options will not have any real value.</p>
<p>Related party risk</p>	<p>The Company has a number of key contractual relationships with related parties including with</p>

Risk	Description
	<p>Grandbidge Limited, Trandcorp Pty Limited, Molecular Discovery Systems Limited and Advent Energy. If these relationships breakdown and the related party agreements are terminated, there is a risk that the Company may not be able to find a satisfactory replacement.</p> <p>Further, the operations of the Company will require involvement of related parties and other third parties including suppliers, manufacturers and customers. With respect to these persons and despite applying best practice in terms of pre-contracting due diligence, the Company is unable to completely avoid the risk of:</p> <ul style="list-style-type: none"> (a) financial failure or default by a participant in any agreement to which the Company may become a party; and/or (b) insolvency, default on performance or delivery by any operators, contractors or service providers. <p>There is also a risk that where the Company has engaged a contractor who is a related party, the contract between the contractor and the Company may terminate for reasons outside of the control of the Company. This may then result in the termination of the contract between the Company and the contractor and the impact the Company's position, performance and reputation.</p>

5.3 Industry specific

Risk	Description
<p>Research and development</p>	<p>The Company can make no representation that any of its research into or development of the technologies will be successful, that the development milestones will be achieved, or that the Technologies will be developed into products that are commercially exploitable.</p>
<p>Oil and gas industry risks</p>	<p>The Company has a 36.1% interest in Advent Energy Ltd (Advent). Risks associated with this significant investment include but are not limited to risks associated with failure to discover an economic reserve or successfully produce from a reserve, fluctuations in oil and gas prices, no guarantee of permit renewals or granting of production licences, all of which could have a material adverse effect on the Company's investment.</p> <ul style="list-style-type: none"> (a) Illiquid investment: as Advent is an unlisted entity, there is a risk that there will not be a ready market for the Company to sell its Advent shares. (b) Oil and gas exploration: the business of oil and gas exploration, project development and production, by its nature, contains elements of significant risk with no guarantee of success. A failure to discover an economic reserve, or to successfully produce from such a reserve, will

Risk	Description
	<p>adversely affect Advent's performance and have a resulting effect on the value of the Company's investment in Advent Energy.</p> <p>(c) Oil and gas price volatility: The demand for, and price of, oil and natural gas is highly dependent on a variety of factors, including international supply and demand, the level of consumer product demand, weather conditions, the price and availability of alternative fuels, actions taken by governments and international cartels, and global economic and political developments.</p> <p>International oil and gas prices have fluctuated widely in recent years and may continue to fluctuate significantly in the future. Fluctuations in oil and gas prices and, in particular, a material decline in the price of oil or gas may have a material adverse effect on Advent's business, financial condition and results of operations.</p> <p>(d) Exploration and production licences: Advent's operations are dependent upon the grant of appropriate licences, concessions, leases, permits and regulatory consents, which may be withdrawn or made subject to limitations. There is no guarantee that, upon completion of any exploration, a production licence will be granted with respect to exploration territory. There can also be no assurance that any exploration permit will be renewed or if so, on what terms.</p> <p>These licences place a range of past, current and future obligations on Advent. In some cases, there could be adverse consequences for breach of these obligations, ranging from penalties to, in extreme cases, suspension or termination of the relevant licence or related contract. These may then affect the Company's investment in Advent.</p> <p>(e) Expansion targets and operational delays: There can be no assurance that Advent will be able to complete any development of its properties on time or to budget, or that the current personnel, systems, procedures and controls will be adequate to support Advent's operations. Any failure of management to identify problems at an early stage could have an adverse impact on Advent's financial performance.</p> <p>(f) Resources, reserves and production: The figures for oil & gas reserves and resources presented in this Prospectus where given are estimates and no assurance can be given that the anticipated figures will be achieved or that the indicated level of recovery will be realised. Market fluctuations in the price of oil & gas may render oil & gas reserves and resources uneconomical. Moreover, short-term operating factors relating</p>

Risk	Description
	<p>to oil & gas reserves and resources, such as the need for orderly development of an oil & gas reservoir may cause an oil & gas operation to be unprofitable in any particular accounting period.</p> <p>(g) Limited operating history: Advent may not have assets producing positive cash flow and its ultimate success may depend on its ability to generate cash flow from active oil & gas operations in the future and its ability to access equity markets for its development requirements. Advent has not made profits to date and there is no assurance that it will do so in the future. A portion of Advent's activities will be directed to the search for and the development of new oil & gas deposits. Significant capital investment will be required to achieve commercial production from Advent's existing projects and from successful exploration efforts. There is no assurance that Advent will be able to raise the required funds to continue these activities.</p> <p>(h) Additional financing: Advent is required to fund its share of approved exploration expenditure on certain of the properties on which it has exploration rights, failing which Advent's exploration rights in the relevant property may be either reduced or forfeited. Advent may acquire exploration rights in other exploration properties which may require acquisition payments to be made and exploration expenditures to be incurred. The only sources of funding currently available to Advent are through the issue of additional equity capital, project finance or borrowing. There is no assurance that Advent will be successful in raising sufficient funds to commence drilling or production operations or to meet its obligations with respect to the exploration properties in which it has or may acquire exploration rights. The Directors currently believe that Advent's working capital will not be sufficient to fund operations. Advent will therefore have to seek additional financing for operations at a later date.</p> <p>(i) Regulatory approvals: Advent's operations and the exploration agreements which it has entered into require approvals, licences and permits from various regulatory authorities, governmental and otherwise (including project specific governmental decrees). Such approvals, licences and permits are subject to change in various circumstances and further project specific governmental decrees and/or legislative enactments may be required. There</p>

Risk	Description
	<p>can be no guarantee that Advent will be able to obtain or maintain all necessary approvals, licences and permits that may be required and/or that all project specific governmental decrees and/or required legislative enactments will be forthcoming to explore for oil & gas and develop the properties on which it has exploration rights, commence construction or operation of production facilities or to maintain continued operations that economically justify the costs involved.</p> <p>(j) Environmental factors: Advent's operations are subject to environmental regulation (including regular environmental impact assessments and the requirement to obtain and maintain certain permits) in all the jurisdictions in which it operates. Such regulation covers a wide variety of matters, including, without limitation, prevention of waste, pollution and protection of the environment, labour regulations and health and safety. Advent 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. Environmental legislation and permitting requirements are likely to evolve in a manner which will require stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their directors and employees.</p> <p>(k) Competition: The oil & gas exploration and production business is competitive in all of its phases. Advent competes with numerous other companies and individuals, including competitors with greater financial, technical and other resources than itself, in the search for and acquisition of exploration and development rights on attractive oil & gas properties. Advent's ability to acquire exploration and development rights on properties in the future will depend not only on its ability to develop the properties on which it currently has exploration and development rights, but also on its ability to select and acquire exploration and development rights on suitable properties for exploration and development. There is no assurance that Advent will continue to be able to compete successfully with its competitors in acquiring exploration and development rights on such properties.</p>

Risk	Description
	<p>(l) Currency risk: Currency fluctuations may affect the cash flow that Advent hopes to realise from its operations, as oil and gas is sold and traded on the world markets in United States dollars. Advent's costs are incurred primarily in Australian dollars and United States dollars.</p> <p>(m) Uninsured risks: Advent, as a participant in exploration and mining programmes, may become subject to liability for hazards that cannot be insured against or against which it may elect not to be so insured because of high premium costs. Advent may incur a liability to third parties (in excess of any insurance cover) arising from pollution or other damage or injury.</p> <p>(n) Market perception: Market perception of small oil & gas exploration companies may change and this could impact on the value of the Company's holdings and impact on Advent's ability to raise further equity capital.</p>
Regulatory risk	<p>The introduction of new legislation or amendments to existing legislation by governments, developments in existing common law, or the respective interpretation of the legal requirements in any of the legal jurisdictions which govern the Company's operations or contractual obligations, could impact adversely on the assets, operations and, ultimately, the Company's financial performance and its Securities. In addition, there is a commercial risk that legal action may be taken against the Company in relation to commercial matters.</p>
Development and commercialisation of technologies	<p>Securing rights to technologies, and in particular patents, is an integral part of securing potential product value in the outcomes of biotechnology research and development. Competition in retaining and sustaining protection of technologies and the complex nature of technologies can lead to expensive and lengthy patents disputes for which there can be no guaranteed outcome.</p> <p>The granting of a patent does not guarantee that the rights of others are not infringed or that competitors will not develop competing technologies that circumvents such patents. The Company's success depends, in part, on its ability to obtain patents, maintain trade secret protection and operate without infringing the proprietary rights of third parties. Because the patent position of biotechnology companies can be highly uncertain and frequently involve complex legal and scientific evaluation, neither the breadth of claims allowed in biotechnology patents nor their enforceability can be predicted. There can be no assurance that any patents the Company or Universities may own or control or licence now and in the future will afford the Company commercially significant protection of the technologies,</p>

Risk	Description
	<p>or that any of the projects that may arise from the technologies will have commercial applications.</p> <p>Although the Company is not aware of any third party interests in relation to the technologies rights of the technologies, and has taken steps to protect and confirm its interest in these rights, there is always a risk of third parties claiming involvement in technological and medical discoveries, and if any disputes arise, they could adversely affect the Company.</p> <p>Although the Company will implement all reasonable endeavours to protect its technologies, there can be no assurance that these measures have been or will be sufficient.</p>
<p>Potential Acquisitions</p>	<p>As part of its business strategy, the Company may make acquisitions of or significant investments in complementary companies, products or technologies. Any such future transactions would be accompanied by the risks commonly encountered in making acquisitions of companies, products and technologies.</p>
<p>Climate Change Risks</p>	<p>Transitioning to a lower-carbon economy may entail extensive policy, legal, technology and market changes to address mitigation and adaption requirements related to climate change. Depending on the nature, speed and focus of these changes, transition risks may pose varying levels of financial and reputational risk to the Company. While the Company will endeavour to manage these risks and limit any consequential impacts, there can be no guarantee that the Company will not be impacted by these occurrences.</p> <p>The climate change risks particularly attributable to the Company include:</p> <ul style="list-style-type: none"> (a) the emergence of new or expanded regulations associated with the transitioning to a lower-carbon economy and market changes related to climate change mitigation. The Company may be impacted by changes to local or international compliance regulations related to climate change mitigation efforts, or by specific taxation or penalties for carbon emissions or environmental damage. These examples sit amongst an array of possible restraints on industry that may further impact the Company and its business viability. While the Company will endeavour to manage these risks and limit any consequential impacts, there can be no guarantee that the Company will not be impacted by these occurrences; and (b) climate change may cause certain physical and environmental risks that cannot be predicted by the Company, including events such as increased severity of weather patterns and incidence of extreme weather events and longer-term physical risks such as shifting climate

Risk	Description
	patterns. All these risks associated with climate change may significantly change the industry in which the Company operates.
Negative publicity may adversely affect the Share price	Any negative publicity or announcement relating to any of the Company's substantial Shareholders, key personnel or activities may adversely affect the stock performance of the Company, whether or not this is justifiable. Examples of such negative publicity or announcements may include involvement in legal or insolvency proceedings, failed attempts in takeovers, joint ventures or other business transactions. No such issues are currently known to affect the Company.
Environment	The Company's operations in Australia are not regulated by any significant environmental regulation under the law of the Commonwealth or any State or Territory.

5.4 General risks

Risk	Description
Economic conditions and other global or national issues	General economic conditions, introduction of tax reform, new legislation, movements in interest and inflation rates and currency exchange rates may have an adverse effect on the Company's investment, development and production activities, as well as on its ability to fund those activities.
Changes 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.
Ukraine Conflict	<p>The current conflict between Ukraine and Russia (Ukraine Conflict) is impacting global economies and financial markets. The nature and extent of the effect the Ukraine Conflict may have on the Company's operations remains uncertain at this time. In the short to medium term, the Company's Share price may be adversely affected by the economic uncertainty caused by the Ukraine Conflict and the wider effect the conflict has on global economies and financial markets.</p> <p>The Directors are monitoring the potential secondary and tertiary macroeconomic impacts of the Ukraine Conflict, including the fluctuations in commodity and energy prices and the potential risk of cyber activity impacting governments and businesses. Further, any governmental or industry measures taken in response to the Ukraine Conflict, including limitations on travel and changes to import/export restrictions and arrangements involving Russia, may adversely impact the Company's</p>

Risk	Description
	operations and are likely to be beyond the control of the Company.
Reliance on key management and personnel	The Company is dependent on its management, the loss of whose services could materially and adversely affect the Company and impede the achievements of its research and development objectives. Because of the specialised nature of the Company's business, its ability to commercialise its products and maintain its research programme will depend in part upon its ability to attract and retain suitably qualified management, scientists and research people over time. There can be no assurance that the Company will be able to attract or retain sufficiently qualified personnel on a timely basis, retain its key scientific and management personnel, or maintain its relationship with key scientific organisations.
Market conditions	<p>Share market conditions may affect the value of the Company's quoted securities regardless of the Company's operating performance. Share market conditions are affected by many factors such as:</p> <ul style="list-style-type: none"> (a) general economic outlook in both Australia and Internationally; (b) introduction of tax reform or other new legislation, regulation, or policy; (c) changes in exchange rates, interest rates and inflation rates; (d) changes in investor sentiment toward particular market sectors; (e) the demand for, and supply of, capital; and (f) the global security situation and the possibility of terrorist disturbances or other hostilities. <p>Neither the Company nor the Directors warrant the future performance of the Company or any return on an investment in the Company.</p> <p>Applicants should be aware that there are risks associated with any securities investment. Securities listed on the stock market, and in particular securities of exploration companies experience extreme price and volume fluctuations that have often been unrelated to the operating performance of such companies. These factors may materially affect the market price of the shares regardless of the Company's performance.</p>
Insurance	Expenditure may need to be incurred that has not been taken into account in the preparation of this Prospectus. Although the Company is not aware of any such additional expenditure requirements, if such expenditure is subsequently incurred, this may adversely affect the expenditure proposals of the Company.
Dividends	Any future determination as to the payment of dividends by the Company will be at the discretion of the Directors and will depend on the financial condition of the Company, future capital requirements and general

Risk	Description
	business and other factors considered relevant by the Directors. No assurance in relation to the payment of dividends or franking credits attaching to dividends can be given by the Company.
Litigation	The Company is exposed to possible litigation risks including, but not limited to, intellectual property ownership disputes, contractual claims, environmental claims, occupational health and safety claims and employee claims. Further, the Company may be involved in disputes with other parties in the future which may result in litigation. Any such claim or dispute if proven, may impact adversely on the Company's operations, financial performance and financial position. The Company confirms that no person has applied for leave of the Court to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party.
Unforeseen expenditure	Expenditure may need to be incurred that has not been taken into account in the preparation of this Prospectus. Although the Company is not aware of any such additional expenditure requirements, if such expenditure is subsequently incurred, this may adversely affect the expenditure proposals of the Company.

5.5 Investment speculative

The risk factors described above, and other risks factors not specifically referred to, may have a materially adverse impact on the performance of the Company and the value of the Loyalty Options and the Options offered under the Placement.

Prospective investors should consider that an investment in the Company is highly speculative.

The Options offered under this Prospectus carry no guarantee in respect of value, profitability, dividends, return of capital or the price at which the Shares and Loyalty Options (subject to satisfying ASX of the quotation requirements set out in Chapter 2 of the ASX Listing Rules) may trade on the ASX.

You should read this Prospectus in its entirety and consider all factors, taking into account your objectives, financial situation and needs.

6. ADDITIONAL INFORMATION

6.1 Litigation

As at the date of this Prospectus, the Company is not involved in any legal proceedings and the Directors are not aware of any legal proceedings pending or threatened against the Company.

As mentioned in Section 5, and has been previously announced by the Company, the Company has a 36.1% interest in Advent Energy Limited who lodged an appeal in the Federal Court of Australia (Proceedings WAD 106/2022) through its 100% owned subsidiary, Asset Energy pursuant to section 5 of the *Administrative Decisions (Judicial Review) Act 1977* (Cth) and section 39B of the *Judiciary Act 1903* (Cth) for a review of the decision of the Commonwealth – New South Wales Offshore Petroleum Joint Authority (**Joint Authority**) to refuse Asset Energy's application to vary and suspend the conditions of the PEP 11 Permit and to refuse to extend the term of the PEP 11 Permit (**Application**).

On 14 February 2023, the Company announced the resolution of the Federal Court Proceedings between Asset Energy and the Respondents (being the Commonwealth Minister for Resources et al). Justice Jackson agreed with the parties' consent position and quashed the decision of the Joint Authority and made orders remitting Asset Energy's Application and remit the Application back to the Minister's that now comprise the Joint Authority for determination in accordance with the law.

The PEP11 Permit will continue in force until the relevant decisions are made and the Joint Venture is in compliance with the contractual terms of the PEP 11 Permit with respect to such matters such as reporting, payment of rents and various provisions of the Act (as defined in Section 5).

6.2 Continuous Disclosure Obligations

The Company is a "disclosing entity" (as defined in Section 111AC of the Corporations Act) for the purposes of Section 713 of the Corporations Act and, as such, is subject to regular reporting and disclosure obligations. Specifically, like all listed companies, the Company is required to continuously disclose any information it has to the market which a reasonable person would expect to have a material effect on the price or the value of the Company's securities.

This Prospectus is a "transaction specific prospectus". In general terms a "transaction specific prospectus" is only required to contain information in relation to the effect of the issue of securities on the Company and the rights attaching to the securities. It is not necessary to include general information in relation to all of the assets and liabilities, financial position, profits and losses or prospects of the issuing company.

This Prospectus 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 all of the information that would be included in a prospectus for an initial public offering of securities in an entity that is not already listed on a stock exchange. 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.

Having taken such precautions and having made such enquires as are reasonable, the Company believes that it has complied with the general and specific requirements of ASX as applicable from time to time throughout the 3

months before the issue of this Prospectus which required the Company to notify ASX of information about specified events or matters as they arise for the purpose of ASX making that information available to the stock market conducted by ASX.

Information that is already in the public domain has not been reported in this Prospectus other than that which is considered necessary to make this Prospectus complete.

The Company, as a disclosing entity under the Corporations Act, states that:

- (a) it is subject to regular reporting and disclosure obligations;
- (b) copies of documents lodged with the ASIC in relation to the Company (not being documents referred to in Section 1274(2)(a) of the Corporations Act) may be obtained from, or inspected at, the offices of the ASIC; and
- (c) it will provide a copy of each of the following documents, free of charge, to any person on request between the date of issue of this Prospectus and the Closing Date:
 - (i) the annual financial report most recently lodged by the Company with the ASIC;
 - (ii) any half-year financial report lodged by the Company with the ASIC after the lodgement of the annual financial report referred to in (i) and before the lodgement of this Prospectus with the ASIC; and
 - (iii) any continuous disclosure documents given by the Company to ASX in accordance with the ASX Listing Rules as referred to in Section 674(1) of the Corporations Act after the lodgement of the annual financial report referred to in (i) and before the lodgement of this Prospectus with the ASIC.

Copies of all documents lodged with the ASIC in relation to the Company can be inspected at the registered office of the Company during normal office hours.

Details of documents lodged with ASX since the date of lodgement of the Company's latest annual financial report and before the lodgement of this Prospectus with the ASIC are set out in the table below.

Date	Description of Announcement
21 March 2023	Reinstatement to Quotation
21 March 2023	BPH Clarification Announcement
13 March 2023	Appendix 3H
10 March 2023	Change of Director's Interest Notice x 3
3 March 2023	Loyalty Options Update
23 February 2023	Half Yearly Report and Accounts
16 February 2023	Change of Director's Interest Notice
16 February 2023	Change of Director's Interest Notice

Date	Description of Announcement
16 February 2023	Appendix 2A
14 February 2023	PEP 11 Update
14 February 2023	Suspension from Quotation
13 February 2023	BUY: PEP 11 Update
8 February 2023	Appendix 3H
7 February 2023	PEP 11 Update
3 February 2023	PEP 11 Update
3 February 2023	PEP 11 Update
2 February 2023	Appendix 3G
31 January 2023	Quarterly Activities / Appendix 4C Cash Flow Report
27 January 2023	Revised September 2022 Quarter Appendix 4C
24 January 2023	Response to ASX Appendix 3Y Query
13 January 2023	Change of Director's Interest Notice
13 January 2023	Change of Director's Interest Notice
9 January 2023	Update – Appendix 3B
9 January 2023	Revised Loyalty Options Timetable
29 December 2022	Suspension from Quotation
29 December 2022	Response to ASX Aware Query
21 December 2022	New Zealand Farmout Agreement Termination
21 December 2022	Suspension from Quotation
21 December 2022	Response to ASX Aware Query
21 December 2022	Clean Hydrogen Investment
21 December 2022	Suspension from Official Quotation
19 December 2022	Trading Halt
14 December 2022	New Zealand Farmout Agreement Termination
12 December 2022	Update – Appendix 3B
12 December 2022	Revised Loyalty Options Timetable
8 December 2022	Appendix 2A
7 December 2022	Appendix 2A
6 December 2022	Letter to Shareholders

Date	Description of Announcement
5 December 2022	Appendix 3B
30 November 2022	Appendix 3H
30 November 2022	Results of Meeting
30 November 2022	Chairman's Address to Shareholders
29 November 2022	Correction to Notice of Meeting Resolution
29 November 2022	Revised Loyalty Options Timetable
29 November 2022	Appendix 3B
29 November 2022	Cancel – Proposed issue of securities Appendix 3B
28 November 2022	Disclosure Document
28 November 2022	Appendix 3B
25 November 2022	Cancel – Proposed issue of securities Appendix 3B
25 November 2022	Change in Substantial Holding
23 November 2022	Response to ASX Price Query
18 November 2022	Reinstatement of Security Class to Quotation
18 November 2022	Release of Options from Suspension
3 November 2022	Web cast – Emerging Gems Conference
3 November 2022	Loyalty Options Timetable
2 November 2022	Notice of Annual General Meeting / Proxy Form
1 November 2022	Periodic Reports – Cortical Dynamics Limited Annual Financial Report
31 October 2022	Commitments Test Entity – First Quarter Activity Report
28 October 2022	Progress Report – PEP11 Federal Court Action
24 October 2022	Appendix 2A
21 October 2022	Appendix 2A
21 October 2022	Appendix 3B
20 October 2022	Cleansing Prospectus
17 October 2022	Update PEP 11 Federal Court Action
14 October 2022	Appendix 2A
14 October 2022	Completion of Non-Renounceable Issue
11 October 2022	Appendix 3B
11 October 2022	Appendix 3B
11 October 2022	Placement – BPH Placement completed to fund hydrogen and gas strategy
7 October 2022	Trading Halt

Date	Description of Announcement
6 October 2022	Change of Director's Interest Notice
6 October 2022	Change of Director's Interest Notice
6 October 2022	Change of Director's Interest Notice
6 October 2022	Company Presentation – BPH Company Presentation including Hydrogen update
30 September 2022	Security Class Suspension from Quotation
30 September 2022	Appendix 2A
29 September 2022	Results of non-renounceable rights issue
28 September 2022	Update on Loyalty Options Offer
27 September 2022	Alteration to Rights Issue Timetable
15 September 2022	Investor Webinar Presentation
14 September 2022	Appendix 3B
13 September 2022	BPH Rights Issue Extension
12 September 2022	Extension to Rights Issue Timetable
9 September 2022	Corporate Governance Statement
9 September 2022	Appendix 4G
9 September 2022	Full Year Statutory Accounts and Annual Report

ASX maintains files containing publicly available information for all listed companies. The Company's file is available for inspection at ASX during normal office hours.

6.3 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 Company was suspended from official quotation from 19 December 2022 until 21 March 2023 under Listing Rule 17.3.

The highest, lowest, and last market sale prices of the Shares on ASX during the three months immediately preceding the date of suspension and the most recent respective dates of those sales were:

	(\$)	Date
Highest	\$0.037	23 November 2022
Lowest	\$0.016	31 October 2022
Last	\$0.022	23 March 2023

6.4 Interests of Directors

Other than as set out in this Prospectus, no Director or proposed director holds, or has held within the 2 years preceding lodgement of this Prospectus with the ASIC, any interest in:

- (a) the formation or promotion of the Company;
- (b) any property acquired or proposed to be acquired by the Company in connection with:
 - (i) its formation or promotion; or
 - (ii) the Offer; or
- (c) the Offer,

and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to a Director or proposed director:

- (d) as an inducement to become, or to qualify as, a Director; or
- (e) for services provided in connection with:
 - (i) the formation or promotion of the Company; or
 - (iii) the Offer.

Security holdings

The relevant interest of each of the Directors in the Securities as at the date of this Prospectus, together with their respective Entitlement, is set in Section 1.4.

Remuneration

The remuneration of an executive Director is decided by the Board, without the affected executive Director participating in that decision-making process. The total maximum remuneration of non-executive Directors is initially set by the Constitution and subsequent variation is by ordinary resolution of Shareholders in general meeting in accordance with the Constitution, the Corporations Act and the ASX Listing Rules, as applicable. The determination of non-executive Directors' remuneration within that maximum will be made by the Board having regard to the inputs and value to the Company of the respective contributions by each non-executive Director. The current amount has been set at an amount not to exceed \$250,000 per annum.

A Director may be paid fees or other amounts (i.e. non-cash performance incentives such as Options, subject to any necessary Shareholder approval) as the other Directors determine where a Director performs special duties or otherwise performs services outside the scope of the ordinary duties of a Director. In addition, Directors are also entitled to be paid reasonable travelling, hotel and other expenses incurred by them respectively in or about the performance of their duties as Directors.

The following table shows the total (and proposed) annual remuneration paid to both executive and non-executive Directors as disclosed in the Company's 2022 Annual Report.

Director	Financial year ending 30 June 2022 \$	Proposed financial year ending 30 June 2023 \$
David Breeze	\$148,000	\$261,839 ¹
Tony Huston	\$40,000	\$28,996 ²
Charles Maling	\$25,000	\$27,233 ³

Notes

1. Including Share based payments of \$113,835, but excluding any Share based payments arising from this Offer. The Company has an agreement with Trandcorp Pty Ltd on normal commercial terms, procuring the services of David Breeze to provide product development services for \$98,000, which fees are included in the above Remuneration.
2. Including Share based payments of \$3,996, but excluding any Share based payments arising from this Offer.
3. Including Share based payments of \$2,233, but excluding any Share based payments arising from this Offer.

6.5 Interests of Experts and Advisers

Other than as set out below or elsewhere in this Prospectus, no:

- (a) person named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus;
- (b) promoter of the Company; or
- (c) underwriter (but not a sub-underwriter) to the issue or a financial services licensee named in this Prospectus as a financial services licensee involved in the issue,

holds, or has held within the 2 years preceding lodgement of this Prospectus with the ASIC, any interest in:

- (d) the formation or promotion of the Company;
- (e) any property acquired or proposed to be acquired by the Company in connection with:
 - (i) its formation or promotion; or
 - (ii) the Offer; or
- (f) the Offer,

and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to any of these persons for services provided in connection with:

- (g) the formation or promotion of the Company; or
- (h) the Offer.

Steinepreis Paganin has acted as the solicitors to the Company in relation to the Offer. The Company estimates it will pay Steinepreis Paganin \$10,000 (excluding GST and disbursements) for these services. During the 24 months preceding

lodgement of this Prospectus with the ASIC, Steinepreis Paganin has been paid fees totalling \$145,545.52 (excluding GST and disbursements) for legal services provided to the Company.

6.6 Consents

Chapter 6D of the Corporations Act imposes a liability regime on the Company (as the offeror of the securities), the Directors, the persons named in the Prospectus with their consent as Proposed Directors, any underwriters, persons named in the Prospectus with their consent having made a statement in the Prospectus and persons involved in a contravention in relation to the Prospectus, with regard to misleading and deceptive statements made in the Prospectus. Although the Company bears primary responsibility for the Prospectus, the other parties involved in the preparation of the Prospectus can also be responsible for certain statements made in it.

Each of the parties referred to in this Section:

- (a) does not make, or purport to make, any statement in this Prospectus other than those referred to in this Section;
- (b) in light of the above, only to the maximum extent permitted by law, expressly disclaim and take no responsibility for any part of this Prospectus other than a reference to its name and a statement included in this Prospectus with the consent of that party as specified in this Section; and
- (c) has not withdrawn its consent prior to the lodgement of this Prospectus with the ASIC.

Steinepreis Paganin has given its written consent to being named as the solicitors to the Company in this Prospectus. Steinepreis Paganin has not withdrawn its consent prior to lodgement of this Prospectus with the ASIC.

6.7 Expenses of the offer

In the event that all Entitlements are accepted, the total expenses of the Offer are estimated to be approximately \$40,734 (excluding GST) and are expected to be applied towards the items set out in the table below:

	\$
ASIC fees	3,206
ASX fees	11,528
Legal fees	10,000
Printing and distribution	16,000
Total	40,734

7. DIRECTORS' AUTHORISATION

This Prospectus is issued by the Company and its issue has been authorised by a resolution of the Directors and Proposed Directors.

In accordance with section 720 of the Corporations Act, each Director and Proposed Director has consented, and as at the date of this Prospectus has not withdrawn his consent, to the lodgement of this Prospectus with the ASIC.



David Breeze
Chairman and Managing Director
Signed for and on behalf of
BPH Energy Limited

8. DEFINITIONS

\$ means Australian dollars.

Application Form means an application form either attached to or accompanying this Prospectus.

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited (ACN 008 624 691), or the financial market operated by it as the context requires.

ASX Listing Rules means the Listing Rules of the ASX.

ASX Settlement Operating Rules means the settlement rules of the securities clearing house which operates CHESS.

Board means the board of Directors unless the context indicates otherwise.

Business Day means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day and any other day that ASX declares is not a Business Day.

Closing Date means the closing date specified in the timetable set out at Section 1 (unless extended or closed earlier).

Company means BPH Energy Limited (ACN 095 912 002).

Constitution means the constitution of the Company as at the date of this Prospectus.

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

CRN means Customer Reference Number in relation to BPAY®.

Directors means the directors of the Company as at the date of this Prospectus.

Eligible Shareholder means a Shareholder at the Record Date whose registered address is situated in Australia or New Zealand.

Entitlement means the entitlement of a Shareholder who is eligible to participate in the Offer.

Entitlement and Acceptance Form means the entitlement and acceptance form either attached to or accompanying this Prospectus.

Ineligible Shareholder means a Shareholder as at the Record Date whose registered address is not situated in Australia or New Zealand.

Loyalty Option means an Option issued under the Loyalty Options Offer on the terms set out in Section 4.2.

Loyalty Options Offer means the non-renounceable entitlement issue the subject of this Prospectus and described in Section 2.2.

Offer means the Offer of Loyalty Options as described on the cover page of this Prospectus and as set out in Section 2.2.

Offer means the Loyalty Options Offer.

Official Quotation means official quotation on ASX.

Opening Date means the opening date specified in Section 3 of this Prospectus.

Option means an option to acquire a Share in the Company, including a Loyalty Option.

Optionholder means a holder of an Option.

Placement means the placement of Options under this Prospectus and as described in Section 2.3.

Prospectus means this prospectus.

Record Date means the date specified in the timetable set out at the commencement of this Prospectus.

Section means a section of this Prospectus.

Securities means Shares and/or Options as the context requires.

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

Shareholder means the holder of a Share.

Shortfall means the Securities not applied for under the Offer (if any).

Shortfall Application Form means the Shortfall Offer application form either attached to or accompanying this Prospectus.

Shortfall Offer means the offer of the Shortfall Securities on the terms and conditions set out in Section 2.8.

Shortfall Securities means those Securities not applied for under the Offer (if any) and offered pursuant to the Shortfall Offer.

WST means Western Standard Time as observed in Perth, Western Australia.