

THE CONTENT OF THIS DOCUMENT HAS NOT BEEN APPROVED BY AN AUTHORISED PERSON WITHIN THE MEANING OF THE FINANCIAL SERVICES AND MARKETS ACT 2000 (AS AMENDED). RELIANCE ON THIS DOCUMENT FOR THE PURPOSE OF ENGAGING IN ANY INVESTMENT ACTIVITY MAY EXPOSE AN INDIVIDUAL TO A SIGNIFICANT RISK OF LOSING ALL AMOUNTS INVESTED.

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about the contents of this document and/or the action that you should take, you should immediately seek your own financial advice from your stockbroker, bank manager, solicitor or other independent professional adviser authorised under the Financial Services and Markets Act 2000 (as amended), if you are in the United Kingdom or, if not, another appropriately authorised independent financial adviser.

If you have sold or otherwise transferred all of your registered holding of Existing Ordinary Shares on or before the Record Date, please forward this document and any enclosed Application Form to the purchaser or transferee or to the stockbroker, bank or other agent through whom the sale or transfer was effected, for delivery to the purchaser or transferee. If you have sold or otherwise transferred part of your holding of Existing Ordinary Shares, please consult the stockbroker, bank or other agent through whom the sale or transfer was effected. However, this document and any accompanying documents should not be sent or transmitted in, or into, any jurisdiction where to do so might constitute a violation of local securities law or regulations. If your Existing Ordinary Shares which were sold or transferred were held in uncertificated form and were sold or transferred before that date, a claim transaction will automatically be generated by Euroclear which, where the purchaser or transferee is a Qualifying Depository Interest Holder, on settlement, will transfer the appropriate number of CREST Entitlements to the purchaser or transferee.

The total consideration under the Open Offer within the UK shall be less than €8 million (or an equivalent amount in sterling) in aggregate. Therefore, in accordance with section 85 and Schedule 11A of FSMA, this document is not, and is not required to be, a prospectus for the purposes of the Prospectus Rules published by the Financial Conduct Authority and has not been approved by the Financial Conduct Authority or any other authority or regulatory body. In addition, this document does not constitute an admission document drawn up in accordance with the AIM Rules.

The Existing Ordinary Shares are admitted to trading on AIM and ASX. Application will be made for the Open Offer Shares to be admitted to trading on AIM and ASX. It is expected that Admission will become effective and that dealings will commence in the Open Offer Shares by 8.00 a.m. on 31 October 2018, in accordance with the Timetable. The fact that ASX may grant official quotation to the Open Offer Shares is not to be taken in any way as an indication of the merits of the Company or the Open Offer Shares now offered for subscription. The Open Offer Shares will, on Admission, rank *pari passu* in all respects with the Existing Ordinary Shares, and will rank in full for all dividends and other distributions declared, made or paid on Ordinary Shares after Admission. Neither the ASX, ASIC nor its officers take any responsibility for the contents of this document or the merits of the investment to which it relates.

88 Energy Limited

(incorporated and registered in Australia under the Corporations Act with registered number ABN 80 072 964 179)

Open Offer of up to 795,884,235 Open Offer Shares at a price of 1 pence (A\$0.018) per Open Offer Share on the basis of:

1 Open Offer Share for every 7 Existing Ordinary Shares

This document has been prepared in accordance with section 708AA of the Corporations Act as modified by ASIC Corporations (Non-Traditional Rights Issues) Instrument 2016/84. It is not a prospectus under the Corporations Act and has not been lodged with the ASIC. In general terms, section 708AA permits certain companies to undertake rights issues without being required to use or provide to shareholders a prospectus or other disclosure document. Accordingly, the level of disclosure in this document is significantly less than the level of disclosure required in, and what you would expect in, a prospectus. Qualifying Ordinary Shareholders should rely on their own knowledge of the Company, refer to disclosures made by the Company to ASX and consult their professional advisers before deciding to accept the Open Offer.

The Directors (whose names and functions appear on page 12 of this document) and the Company (whose registered office appears on page 12 of this document) accept responsibility, both collectively and individually, for the information contained in this document and compliance with the AIM Rules, the ASX Listing Rules and the Corporations Act 2001 (Cth). To the best of the knowledge and belief of the Directors and the Company (who have taken all reasonable care to ensure that such is the case), the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information.

AIM is a market designed primarily for emerging or smaller companies to which a higher investment risk tends to be attached than to larger or more established companies. AIM securities are not admitted to the Official List of the UK Listing Authority. A prospective investor should be aware of the risks of investing in such companies and should make the decision to invest only after careful consideration and, if appropriate, consultation with an independent financial adviser. The London Stock Exchange has not itself examined or approved the contents of this document. A prospective investor should consider carefully whether an investment in the Company is suitable for him in the light of his personal circumstances and the financial resources available to him.

IMPORTANT NOTICE

Cautionary note regarding forward-looking statements

This document includes statements that are, or may be deemed to be, “forward-looking statements”. These forward-looking statements can be identified by the use of forward-looking terminology, including the terms “believes”, “estimates”, “plans”, “projects”, “anticipates”, “expects”, “intends”, “may”, “will”, or “should” or, in each case, their negative or other variations or comparable terminology. These forward-looking statements include matters that are not historical facts. They appear in a number of places throughout this document and include statements regarding the Directors’ current intentions, beliefs or expectations concerning, among other things, the Company’s results of operations, financial condition, liquidity, prospects, growth, strategies and the Company’s markets.

By their nature, forward-looking statements involve risk and uncertainty because they relate to future events and circumstances. Actual results and developments could differ materially from those expressed or implied by the forward-looking statements.

Forward-looking statements may and often do differ materially from actual results. Any forward-looking statements in this document are based on certain factors and assumptions, including the Directors’ current view with respect to future events and are subject to risks relating to future events and other risks, uncertainties and assumptions relating to the Company’s operations, results of operations, growth strategy and liquidity. Whilst the Directors consider these assumptions to be reasonable based upon information currently available, they may prove to be incorrect. Save as required by law or by the AIM Rules or by the ASX Listing Rules, the Company undertakes no obligation to publicly release the results of any revisions to any forward-looking statements in this document that may occur due to any change in the Directors’ expectations or to reflect events or circumstances after the date of this document.

Notice to overseas persons

The distribution of this document and/or the Application Form in certain jurisdictions may be restricted by law and therefore persons into whose possession these documents come should inform themselves about and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

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

The Open Offer is not being extended and Open Offer Shares will not be issued to Shareholders with a registered address which is outside the UK, Australia or New Zealand. It is not practicable for the Company to comply with the securities laws of overseas jurisdictions (other than those mentioned above) having regard to the number of Overseas Shareholders, the number and value of Ordinary Shares these Shareholders would be offered and the cost of complying with regulatory requirements in each relevant jurisdiction. The Company will notify all Overseas Shareholders that they will not be able to participate in the Open Offer.

The Open Offer Shares are not being offered or sold to the public within New Zealand other than to Qualifying Shareholders with addresses in New Zealand to whom the Open Offer is being made in reliance on the Financial Market Conduct Act 2013 (New Zealand) and the Financial Markets Conduct (Incidental Offers) Exemption Notice 2016 (New Zealand).

This document has been prepared in compliance with Australian law and the laws of England and Wales and has not been registered, filed with or approved by any New Zealand regulatory authority under the Financial Market Conduct Act 2013 (New Zealand). This document is not an investment statement or prospectus under New Zealand law and is not required to, and may not, contain all the information that an investment statement or prospectus under New Zealand law is required to contain.

The Open Offer Shares have not been approved or disapproved by the US Securities and Exchange Commission, or any other securities commission or regulatory authority of the United States, nor have any of the foregoing authorities passed upon or endorsed the merits of the offering of the Open Offer Shares nor have they approved this document or confirmed the accuracy or adequacy of the information contained in this document. Any representation to the contrary is a criminal offence in the US.

Presentation of financial information

Certain data in this document, including financial, statistical and operational information has been rounded. As a result of the rounding, the totals of data presented in this document may vary slightly from the actual arithmetical totals of such data. Percentages in tables have been rounded and, accordingly, may not add up to 100 per cent. In this document, references to “pounds sterling”, “£”, “pence” and “p” are to the lawful currency of the United Kingdom, references to “A\$” is to the lawful currency of Australia and references to “US\$” is to the lawful currency of the United States.

Presentation of market, economic and industry data

Where information contained in this document originates from a third party source, it is identified where it appears in this document together with the name of its source. Such third party information has been accurately reproduced and, so far as the Company is aware and is able to ascertain from information published by the relevant third party, no facts have been omitted which would render the reproduced information inaccurate or misleading.

No incorporation of website or other information

The contents of the Company’s website or any hyperlinks accessible from the Company’s website do not form part of this document and Shareholders should not rely on them.

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

Interpretation

Certain terms used in this document are defined and certain technical and other terms used in this document are explained at the section of this document under the heading “Definitions”.

All times referred to in this document are, unless otherwise stated, references to London time.

All times referred to in the Application Form are, unless otherwise stated, references to Australian Eastern Daylight Time.

All references to legislation in this document and the Application Form are to the legislation of England and Wales unless the contrary is indicated. Any reference to any provision of any legislation or regulation shall include any amendment, modification, re-enactment or extension thereof.

Words importing the singular shall include the plural and vice versa, and words importing the masculine gender shall include the feminine or neutral gender.

Privacy Act

If you complete an Application Form, you will be providing personal information to the Company (directly or by the Company’s share registry). The Company collects, holds and uses that information to assess your application, service your needs as a Shareholder, facilitate distribution payments and corporate communications to you as a Shareholder and carry out administration.

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

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

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

Qualifying Shareholders

Qualifying Shareholders will find an Application Form enclosed with this document. Qualifying Depositary Interest Holders (none of whom will receive an Application Form) will receive a credit to their appropriate stock accounts in CREST in respect of the CREST Entitlements, which will be enabled for settlement on 29 October 2018. Applications under the Open Offer may only be made by the Qualifying Shareholder originally entitled or by a person entitled by virtue of a bona fide market claim arising out of a sale or transfer of Existing Ordinary Shares prior to the date on which the Existing Ordinary Shares were marked “ex” the entitlement by the London Stock Exchange. If the CREST Entitlements are for any reason not enabled by 3.00 p.m. or such later time as the Company may decide on 22 October 2018, an Application Form will be sent to each Qualifying Depositary Interest Holder in substitution for the CREST Entitlements credited to his stock account in CREST. Qualifying Depositary Interest Holders who are CREST sponsored members should refer to their CREST sponsors regarding the action to be taken in connection with this document and the Open Offer.

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DEFINITIONS

The following definitions apply throughout this document, unless the context requires otherwise:

“A\$”	Australian dollars, the lawful currency of Australia
“Admission”	the admission of the Open Offer Shares to trading on AIM becoming effective pursuant to Rule 6 of the AIM Rules and the ASX Listing Rules, as the context requires
“AEDT”	means Australian Eastern Daylight Time
“AIM”	the AIM market operated by the London Stock Exchange
“AIM Rules”	the AIM Rules for Companies published by the London Stock Exchange, as in force at the date of this document
“Application Form”	the application form in respect of the Open Offer accompanying this document to be used by Qualifying Shareholders
“ASIC”	the Australian Securities and Investments Commission
“ASX”	means ASX Limited (CAN 008 624 691) or, where the context permits, the Australian Securities Exchange operated by ASX Limited
“ASX Listing Rules”	means the Listing Rules of the ASX
“AWST”	means Australian Western Standard Time
“Blocks”	certain oil and gas leases located on the Central North Slope of Alaska in which the Company has an interest as described in the Operational Overview at Part 1 Paragraph 6
“Company” or “88E”	88 Energy Limited (ABN 80 072 964 179) and whose registered office address is Level 2, 5 Ord Street, West Perth 6005, Australia
“Computershare Australia”	Computershare Investor Services Pty Limited
“Computershare UK”	Computershare Investor Services plc, receiving agents to the Company and depositary for the DIs
“Constitution”	means the constitution of the Company, as amended from time to time
“Corporations Act”	means the Corporations Act 2001 (Cth) of Australia
“CREST”	the relevant system for the paperless settlement of trades and the holding of uncertificated securities operated by Euroclear in accordance with the Regulations
“CREST Entitlements”	the Open Offer Entitlements and the CREST Excess Entitlements
“CREST Excess Entitlements”	in respect of each Qualifying Depositary Interest Holder, the entitlement to apply for Open Offer Shares in addition to its Open Offer Entitlement credited to its stock account in CREST pursuant to the Excess Application Facility which is conditional on it taking up its Open Offer Entitlement in full and which may be subject to scaling back in accordance with the provisions of this document
“CREST Manual”	the rules governing the operation of CREST, consisting of the CREST Reference Manual, CREST International Manual, CREST Central Counterparty Service Manual, CREST Rules, Registrars Service

	Standards, Settlement Discipline Rules, CCSS Operations Manual, Daily Timetable, CREST Application Procedure and CREST Glossary of Terms (all as defined in the CREST Glossary of Terms promulgated by Euroclear as amended from time to time)
“CREST member”	a person who has been admitted by Euroclear as a system-member (as defined in the Regulations)
“CREST participant”	a person who is, in relation to CREST, a system-participant (as defined in the Regulations)
“CREST payment”	shall have the meaning given in the CREST Manual issued by Euroclear
“CREST sponsor”	a CREST participant admitted to CREST as a CREST sponsor
“CREST sponsored member”	a CREST member admitted to CREST as a sponsored member
“Deed Poll”	means the deed poll creating the Depositary with the creation and issue of Depositary Interests
“Depositary”	Computershare Investor Services plc acting in its capacity as depositary pursuant to the terms of the agreement for the provision of depositary services entered into between the Company and Computershare Investor Services plc
“Depositary Interests” or “DIs”	a depositary interest issued by the Depositary representing an entitlement to an Ordinary Share which may be traded through CREST in dematerialised form
“Directors” or the “Board”	the board of directors of the Company
“enabled for settlement”	in relation to the Entitlements, enabled for the limited purpose of settlement of claim transactions and unmatched stock event transactions (each as described in the CREST Manual issued by Euroclear)
“Enlarged Issued Share Capital”	the issued ordinary share capital of the Company as enlarged following the Open Offer and assuming the maximum number of Open Offer Shares are issued
“Entitlements”	the Open Offer Entitlements and the Excess Entitlements
“Euroclear”	Euroclear UK & Ireland Limited, the operator of CREST
“Excess Application Facility”	the facility pursuant to which Qualifying Shareholders may apply for additional Open Offer Shares over and above their Open Offer Entitlements subject to the terms and conditions of the Open Offer set out in Part 3 of this document
“Excess Entitlement”	the entitlement for each Qualifying Shareholder to apply for Open Offer Shares in addition to its Open Offer Entitlement pursuant to the Excess Application Facility which is conditional on it taking up its Open Offer Entitlement in full and which may be subject to scaling back in accordance with the provisions of this document
“Excess Shares”	any Open Offer Shares in addition to the Open Offer Entitlement which Qualifying Shareholders may apply for under the Excess Application Facility
“Existing Ordinary Shares”	the 5,571,189,646 existing Ordinary Shares in issue at the date of this document, all of which are admitted to trading on AIM and ASX

“FCA”	the UK Financial Conduct Authority
“Financial Promotion Order”	the UK Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended
“FSMA”	the UK Financial Services and Markets Act 2000 (as amended)
“Group”	means the Company and its subsidiaries
“Issue Price”	1 pence (A\$0.018) per Open Offer Share
“London Stock Exchange”	London Stock Exchange plc
“Money Laundering Regulations”	the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 and the Criminal Justice Act 1993, the Proceeds of Crime Act 2002, the GFSC Handbook, POCL and the other relevant enactments as referred to in the GFSC Handbook
“Open Offer”	the invitation to Qualifying Shareholders to subscribe for Open Offer Shares at the Issue Price on the terms and subject to the conditions set out or referred to in Part 3 and Schedule 1 of this document and, where relevant, in the Application Form (and, to the extent that a Qualifying Depositary Interest Holder holds its Existing Ordinary Shares through a Depositary, the Depositary shall ensure that the relevant Qualifying Depositary Interest Holder is able to take up its entitlement under the Open Offer in Depositary Interest form)
“Open Offer Entitlement”	means the entitlement to apply to subscribe for 1 Open Offer Share for every 7 Existing Ordinary Shares held by a Qualifying Shareholder at the Record Date pursuant to the Open Offer
“Open Offer Shares”	the up to 795,884,235 new Ordinary Shares which are to be made available for subscription by Qualifying Shareholders under the Open Offer (and, to the extent that a Qualifying Depositary Interest Holder holds its Existing Ordinary Shares through a Depositary, the Depositary shall ensure that the relevant Qualifying Depositary Interest Holder is able to take up its entitlement under the Open Offer in Depositary Interest form)
“Option”	means an option to acquire an Ordinary Share
“Ordinary Shares”	fully paid ordinary shares of no par value each in the capital of the Company and, where the context requires, the Depositary Interests
“Overseas Shareholders”	all Shareholders and holders of Depositary Interests who have registered addresses or who are resident outside of the Relevant Jurisdictions including those in a Restricted Jurisdiction
“£” and “p”	respectively pounds and pence sterling, the lawful currency of the United Kingdom
“Prospectus Rules”	the Prospectus Rules published by the FCA
“Qualifying Ordinary Shareholders”	holders of Ordinary Shares on the register of members of the Company at the Record Date (other than Overseas Shareholders)
“Qualifying Depositary Interest Holders”	holders of Depositary Interests on the register of Depositary Interest holders at the Record Date (other than Overseas Shareholders)

“Qualifying Shareholders”	Qualifying Ordinary Shareholders and Qualifying Depositary Interest Holders
“Record Date”	the record date in relation to the Open Offer, being 6.00 p.m. (7.00 p.m. (AEDT)) on 10 October 2018
“Regulation S”	Regulation S under the Securities Act
“Regulations”	the UK Uncertificated Securities Regulations 2001, as amended from time to time
“Regulatory Information Service”	has the meaning given to it in the AIM Rules
“Relevant Jurisdiction”	means the United Kingdom, Australia and New Zealand and any other jurisdiction (other than any Restricted Jurisdiction) in which the Directors in their absolute discretion determine to make the Open Offer available
“Relevant System”	has the meaning given in the CREST Regulations
“Restricted Jurisdictions”	means Canada, Japan, the Republic of South Africa and the United States and any other jurisdiction where the extension or availability of the Open Offer would breach any applicable law or regulations
“Security” or “Securities”	means an Ordinary Share or an Option as the context requires
“Securityholder”	means the holder of a Security
“Securities Act”	United States Securities Act of 1933, as amended, and the rules and regulations promulgated pursuant thereunder
“Shareholders”	holders of Ordinary Shares
“Shortfall Open Offer Shares”	remaining Open Offer Shares once subscriptions from Qualifying Shareholders for their Open Offer Entitlements and for additional Open Offer Shares pursuant to the Excess Application Facility have been satisfied in full
“stock account”	an account within a member account in CREST to which a holding of a particular share or other security in CREST is credited
“Timetable”	means the expected timetable for the Open Offer as contained on page 9 of this document
“UK” or “United Kingdom”	United Kingdom of Great Britain and Northern Ireland
“uncertificated” or “uncertified form”	recorded on the relevant register or other record of the share or other security concerned as being held in uncertificated form in CREST, and title to which, by virtue of the Regulations, may be transferred by means of CREST “uncertificated form”
“US” or “USA” or “United States” or “United States of America”	means the United States of America, each state thereof, its territories and possessions, and all areas subject to its jurisdiction

EXPECTED TIMETABLE FOR THE OPEN OFFER

Announcement of the Open Offer	3 October 2018
Appendix 3B, circular (offer document) and notice under section 708AA(2)(f) of the Corporations Act 2001 lodged with the ASX	before 8.00 a.m. (AWST) on 5 October 2018
Notice to Securityholders	8 October 2018
Expected ex-entitlement date for the Open Offer	8.00 a.m. (London time) on 9 October 2018
Record Date for the Open Offer	7.00 p.m. (AEDT) in respect of Qualifying Ordinary Shareholders and 6.00 p.m. (London time) in respect of Qualifying Depositary Interest Holders on 10 October 2018
Trading commences ex-entitlement on ASX	10 October 2018
Publication and despatch of this document and Application Forms	12 October 2018
Open Offer Entitlements and CREST Excess Entitlements credited to CREST stock accounts of Qualifying Depositary Interest Holders	as soon as practicable after 8.00 a.m. (London time) on 12 October 2018
Recommended latest time for requesting withdrawal of Open Offer Entitlements and CREST Excess Entitlements from CREST	4.30 p.m. (London time) on 19 October 2018
Latest time for depositing Open Offer Entitlements and CREST Excess Entitlements into CREST	3.00 p.m. (London time) on 22 October 2018
Last date to extend	22 October 2018
Latest time for splitting	11.00 a.m. (London time) on 24 October 2018
Closing date - Latest time and date for receipt of completed Application Forms and payment in full under the Open Offer or settlement of relevant CREST instructions in respect of Depositary Interests (as appropriate)	11.00 a.m. (London time) on 26 October 5.00 p.m. (AWST) on 26 October 2018
Securities quoted on a deferred settlement basis	29 October 2018
Expected date of announcement of the results of the Open Offer	afternoon of 29 October 2018
Issue date of the Open Offer Shares and CHES member accounts credited with Open Offer Shares (as applicable)	before 9.00 a.m. (AWST) on 31 October 2018
Admission and dealings in the Open Offer Shares to AIM	8.00 a.m. (London time) on 31 October 2018 1.00 p.m. (AWST) on 31 October 2018

CREST member accounts expected to be credited
with the Open Offer Shares in Depositary Interest
form

as soon as practicable on 31 October 2018

Quotation of Open Offer Shares on ASX

1 November 2018

Each of the times and dates in the above timetable is subject to change. If any of the above times and/or dates change, the revised times and/or dates will be notified to Shareholders by announcement on a Regulatory Information Service.

References to time in this document are to London time unless otherwise stated.

If you have any questions on how to complete the Application Form, please contact Computershare Australia on telephone number 1300 850 505 from within Australia or +61 3 9415 4000 from outside Australia or Computershare UK on 0370 707 4040 or +44 370 707 4040. This helpline is open from 8.30 a.m. to 5.00 p.m. (local time) on business days (i.e. Monday to Friday and excluding public holidays) in Australia and the UK. Please note that calls to the helpline may be monitored or recorded and that the helpline is not able to advise on the merits of the matters set out in this document or provide any personal legal, financial or taxation advice.

The Company's SEDOL code is BW9NZW0, ISIN code is AU00000088E2 and ASX code is 88E.

SHARE CAPITAL AND OPEN OFFER STATISTICS

Number of Existing Ordinary Shares as at the date of this document	5,571,189,646
Number of Open Offer Shares available under the Open Offer ⁽¹⁾	795,884,235
Enlarged Issued Share Capital ⁽¹⁾	6,367,073,881
Issue Price of the Open Offer Shares	1 pence/A\$0.018
Issue Price discount to the middle market closing price on 2 October 2018, the day prior to the announcement of the Open Offer	10%
Market capitalisation of the Company following the Open Offer at the Issue Price ⁽¹⁾	£63.7m
Open Offer Shares as a percentage of the Enlarged Issued Share Capital ⁽¹⁾	14.29%
Estimated gross proceeds of Open Offer ⁽¹⁾	£7,958,842/A\$14,325,916
ISIN of the Ordinary Shares	AU00000088E2
ISIN of the Open Offer Entitlements	AU0000026304
ISIN of the CREST Excess Entitlements	AU0000026312

Notes:

(1) Assumes the maximum number of Open Offer Shares under the Open Offer are allotted.

Exchange Rates

The following exchange rates were prevailing on 1 October 2018 (being the latest practicable date prior to the publication of this document) and have been used for the purposes of this document, unless otherwise stated:

£1 = €1.12455

£1 = A\$0.80703

DIRECTORS AND ADVISERS

Directors	Michael Evans (<i>Non-Executive Chairman</i>) David Wall (<i>Managing Director</i>) Brent Villemarette (<i>Non-Executive Director</i>) Dr Stephen Staley (<i>Non-Executive Director</i>)
Registered office	Level 2 5 Ord Street West Perth WA 6005 AUSTRALIA
Nominated Adviser and Broker	Cenkos Securities plc 6.7.8 Tokenhouse Yard London EC2R 7AS UNITED KINGDOM
Solicitors to the Company as to English law	Watson Farley & Williams LLP 15 Appold Street London EC2A 2HB UNITED KINGDOM
Solicitors to the Company as to Australian law	Steinepreis Paganin Level 4, The Read Buildings 16 Milligan Street, Perth WA 6000 AUSTRALIA
Auditor to the Company	BDO International Ltd 38 Station St Subiaco WA 6008 AUSTRALIA
UK Registrar and Receiving Agent	Computershare Investor Services plc The Pavilions Bridgwater Road Bristol BS13 8AE UNITED KINGDOM Participant ID: 8RA07
Australian Registrar	Computershare Investor Services Pty Limited GPO BOX 505 Melbourne Victoria 3001 AUSTRALIA

PART 1

LETTER FROM THE CHAIRMAN OF 88 ENERGY LIMITED

88 Energy Limited

(incorporated and registered in Australia under the Corporations Act with registered number ABN 80 072 964 179)

Directors:

Michael Evans (*Non-Executive Chairman*)
David Wall (*Managing Director*)
Brent Villemarette (*Non-Executive Director*)
Dr Stephen Staley (*Non-Executive Director*)

Registered office:

Level 2
5 Ord Street
West Perth WA 6005
Australia

5 October 2018

Dear Shareholder,

**Open Offer of up to 795,884,235 Open Offer Shares
at 1 pence (A\$0.018) per Open Offer Share
on the basis of:**

1 Open Offer Share for every 7 Existing Ordinary Shares

1. INTRODUCTION AND SUMMARY

On behalf of the Directors, it is my pleasure to offer you an opportunity to participate in an offer for subscription of new Ordinary Shares of 88 Energy Limited at the Issue Price (being 1 pence/A\$0.018 per Open Offer Share). The Directors of the Company intend to take up their full Entitlements in respect of the Open Offer.

Further details in respect of the Open Offer are set out in Part 3 of this document.

On behalf of the Board, I invite you to consider subscribing for Open Offer Shares in the Open Offer. I take this opportunity to thank you for your ongoing support of the Company.

2. BACKGROUND TO AND REASONS FOR THE OPEN OFFER

The Company is undertaking the Open Offer at this time to allow existing shareholders the opportunity to increase their holdings ahead of a potentially transformational period over the next 9 months, which includes the drilling of an exploration well and possibly two farm-out transactions.

3. THE OPEN OFFER

The Open Offer is for up to 795,884,235 Open Offer Shares at the Issue Price, to raise gross proceeds of up to approximately £7.96 million (approximately A\$14.33 million). **Only Qualifying Shareholders on the register as at the Record Date of 10 October 2018 will be able to participate in the Open Offer.**

Subject to the fulfilment of the terms and conditions referred to in this document and, where relevant, set out in the Application Form, Qualifying Shareholders are being given the opportunity to apply for Open Offer Shares at a price of 1 pence per Open Offer Share pro rata to their holdings of Existing Ordinary Shares on the Record Date, free of expenses, payable in full, in cash on application, on the basis of:

1 Open Offer Share for every 7 Existing Ordinary Shares

registered in the name of each Qualifying Shareholder at the Record Date.

Qualifying Shareholders are also being given the opportunity, provided that they take up their Open Offer Entitlement in full, to apply for additional Open Offer Shares through the Excess Application Facility.

The participation of a Qualifying Shareholder for its Open Offer Entitlement and any Excess Shares under the Excess Application Facility does not guarantee that their percentage shareholding will not be diluted from the position prior to the Open Offer as a result of the Open Offer.

If you are a Qualifying Ordinary Shareholder you will have received an Application Form with this document, which you should refer to along with paragraph 4(i) and paragraphs 5 to 11 of Part 3 of this document.

If you hold your Depositary Interests in CREST and have received a credit of CREST Entitlements to your CREST stock account, please refer to paragraph 4(ii) and paragraphs 5 to 11 of Part 3 of this document and also to the CREST Manual for further information on the CREST procedures referred to below.

The Existing Ordinary Shares are admitted to trading on AIM and ASX. Application will be made for the Open Offer Shares to be admitted to trading on AIM and applications will also be made to the ASX for the Open Offer Shares to be admitted to trading on the ASX. It is expected that Admission will become effective and that dealings will commence in the Open Offer Shares in accordance with the Timetable. The fact that ASX may grant official quotation to the Open Offer Shares is not to be taken in any way as an indication of the merits of the Company or the Open Offer Shares now offered for subscription.

Further information on the Open Offer and the terms and conditions on which it is made, including the procedure for application and payment, are set out in Part 3 of this document and, where appropriate, in the Application Form, which you should read in full. Qualifying Shareholders who subscribe for Open Offer Shares represent, warrant, agree and acknowledge that they have reviewed the representations, warranties, covenants, agreements and acknowledgements set out in Schedule 1 of this document and, in applying for Open Offer Shares, are deemed to have given such representations, warranties, covenants, agreements and acknowledgements.

For Qualifying Ordinary Shareholders, you should refer to the payment and delivery instructions on the Application Form. For Qualifying Depositary Interest Holders the relevant CREST instructions must have settled as explained in this document by no later than 11.00 a.m. on 26 October 2018.

Any Qualifying Depositary Interest Holder applying for Open Offer Shares under the Open Offer hereby agrees that, if their application is successful, any such Open Offer Shares will be issued to Computershare Clearing Pty Ltd who will hold them pursuant to the terms of the SML depositary interest trust deed and will credit the Depositary Interest holder's account in CREST with the applicable number of Depositary Interests. All other Qualifying Shareholders whose applications are successful will receive Ordinary Shares.

The Open Offer is not being underwritten.

4. DILUTION

The Open Offer will result, if fully subscribed, in the issue of 795,884,235 Open Offer Shares (representing approximately 14.29 per cent. of the Enlarged Issued Share Capital of the Company). The Open Offer Shares, when issued and fully paid, will rank pari passu in all respects with the Existing Ordinary Shares and will rank for all dividends or other distributions declared, made or paid after the date of issue of the Open Offer Shares. No temporary documents of title will be issued.

Shareholders who do not elect to participate in the Open Offer will suffer a maximum dilution as set out in the table below:

<i>Amount Raised through Open Offer (£)</i>	<i>Number of Open Offer Shares Issued</i>	<i>Number of Existing Ordinary Shares as at the date of this document</i>	<i>Dilution created by the Open Offer to non- participating Shareholders (%)</i>
7,958,842 ⁽¹⁾	795,884,235	5,571,189,646	14.29

(1) Assuming full subscription under the Open Offer.

5. USE OF PROCEEDS

If the Open Offer is fully subscribed then the aggregate proceeds to the Company under the Open Offer will be approximately £7.96 million (before expenses) which the Company will receive in late October 2018.

It is intended that the proceeds of the Open Offer will be used to continue the Company's investment strategy in oil and gas exploration on the North Slope of Alaska, including (but not limited to) the following:

- Potential cost overruns and/or production testing, if appropriate, at the upcoming Winx-1 exploration well
- Funding of ongoing expenses related to interest payments on the Company's debt of US\$16.5m (US\$1.37m per annum);
- Funding of ongoing lease rental payments to maintain the current lease portfolio in good standing (US\$3.72m per annum);
- Continued evaluation of geological potential across the asset portfolio;
- Evaluation of new ventures opportunities; and
- General administrative expenses.

A more detailed breakdown of how it is intended the proceeds of the Open Offer (if fully subscribed) will be used is contained in the following table:

Item (to July 30 2019)	Firm Budget (£m)	Contingent Budget (£m)	Total Budget
Potential cost overruns at Winx-1	£ -	£ 0.92	
Contingent Testing Program at Winx-1	£ -	£ 0.92	
Lease Rentals	£ 2.46	£ -	
Interest Payments	£ 0.68	£ -	
Ongoing Geological and Geophysical expense	£ 0.53	£ -	

Evaluation of New Ventures	£ -	£ 0.55	
General Administrative Costs	£ 1.27	£ -	
Total (£)*	£ 4.95	£ 2.39	£4.95m-£7.33m
Total (A\$)	\$ 6.85	\$ 5.34	\$6.85m-\$12.20m

* Please note, numbers may not sum to Total due to rounding

The Board believes that raising funds through the Open Offer is in the best interests of all Shareholders and can place the Company in a stronger position to capitalise on the significant opportunities for its assets.

Details of the Company's current activities are set out in the announcements made by the Company to the ASX and through a Regulatory Information Service and are available from the ASX, or the Company's website at <http://www.88energy.com>.

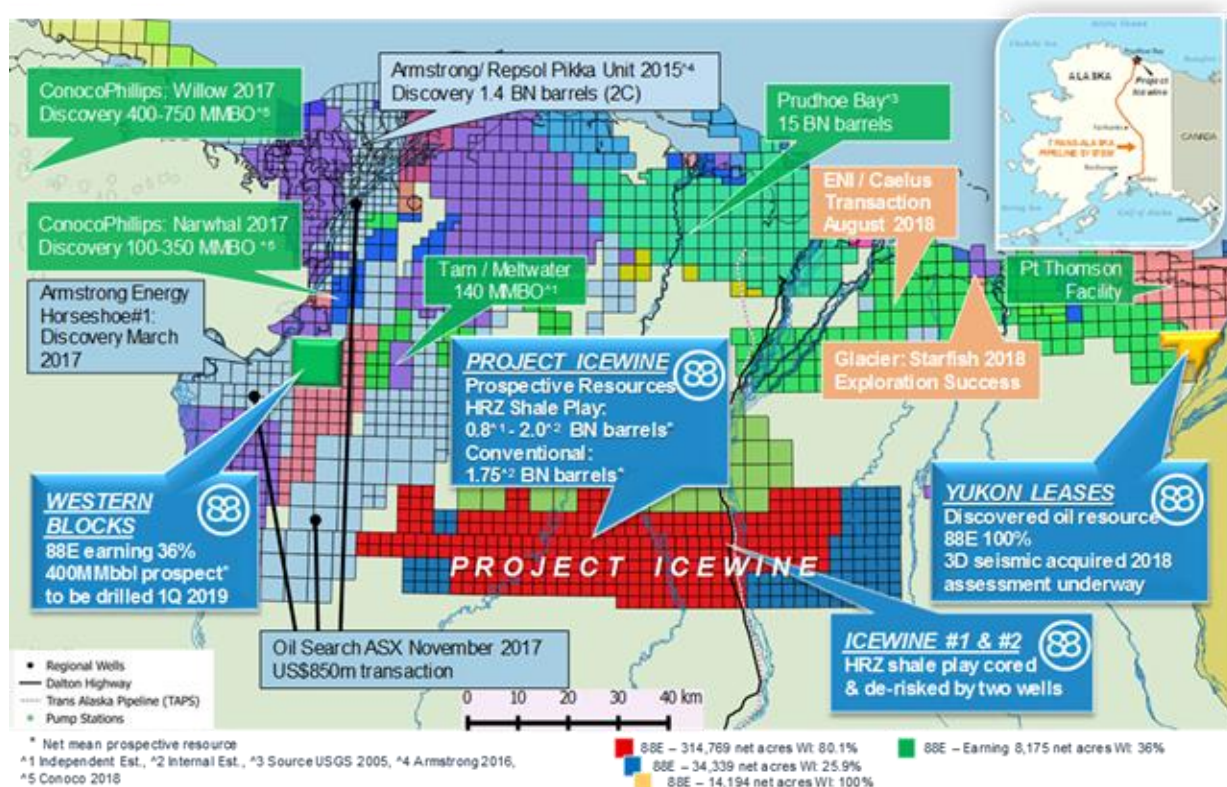
6. OPERATIONAL OVERVIEW

Project Icewine

In November 2014, the Company entered into a binding agreement with Burgundy Xploration (BEX) to acquire a significant working interest in a large acreage position on a multiple objective, liquids rich exploration opportunity onshore Alaska, North America, referred to as Project Icewine. The current gross acreage position is ~525,000 contiguous acres (349,000 acres net to the Company). These are marked in blue and red on the below map.

Project Icewine is located on an all year operational access road with both conventional and unconventional oil potential. The primary term for the State leases is 10 years with no mandatory relinquishment and a low 16.5% royalty.

88 Energy North Slope Acreage



Significant conventional prospectivity has been identified on recently acquired 2D and 3D seismic across the project acreage where 1.75 billion barrels of oil potential has been delineated (net mean prospective resource). A farm-out process is currently underway, with a deal targeted prior to 2018 year end.

The HRZ liquids-rich resource play was successfully evaluated based on core obtained in the Icewine#1 exploration well (December 2015), marking the completion of Phase I of Project Icewine. Phase II comprised drilling in mid-2017 at the follow-up appraisal well, Icewine#2, which was subsequently fracture stimulated and flow tested. Production testing at Icewine#2 concluded on 30 June 2018 after retrieving 24.8% of the injected stimulation fluid vs a targeted return of at least 30%. Gas rates of up 100mcf/d were achieved during flowback; however, these are not considered representative due to limited reservoir connectivity. Further evaluation is being completed prior to launching a formal farm-out process in early 2019 to fund the future work program.

Cautionary Statement: The estimated quantities of petroleum that may be potentially recovered by the application of a future development project relate to undiscovered accumulations. These estimates have both an associated risk of discovery and a risk of development. Further exploration, appraisal and evaluation are required to determine the existence of a significant quantity of potentially movable hydrocarbons.

A Prospective Resources Report by DeGolyer and MacNaughton, was commissioned by 88 Energy to evaluate the unconventional resource potential of Project Icewine in February 2016 and was released to the market on 6th April 2016.

Yukon Gold

The Yukon Gold leases are located on the eastern border of the Central North Slope of Alaska and were acquired in 2018. 88 Energy via its subsidiary has a 100% working interest in these leases, totalling 14,194 acres. The leases contain an historic discovery well, Yukon Gold #1, which is currently being evaluated internally. 3D seismic was acquired in early 2018 to assist with this process and results are expected in 4Q2018. The leases are marked in yellow on the above map.

Western Blocks

88 Energy is earning a 36% working interest in four leases (totalling 22,711 acres) immediately adjacent to the Horseshoe#1/1A oil discovery well. 88 Energy, with its consortium partners Otto Energy Ltd and Red Emperor Resources NL, has posted a US\$3m performance bond to the State of Alaska and will fund 100% of the costs of well, targeting a prospect with a gross mean unrisked prospective resource volume of 400MMbbls (144MMbbls net to 88E), to be drilled in 1Q 2019. The leases are marked in green on the above map.

7. DIRECTORS' SHAREHOLDINGS

Director	Total number of Ordinary Shares held	% interest	Total number of Options held
Michael John Evans	18,541,667	0.39%	8,000,000 Unlisted Options exercisable at A\$0.021 on or before 1 November 2018
			5,000,000 Unlisted Options exercisable at A\$0.06 on or before 14 March 2020

George Henry Stephen Staley	10,141,667	0.22%	6,000,000 Unlisted Options exercisable at A\$0.021 on or before 1 November 2018
			5,000,000 Unlisted Options exercisable at A\$0.06 on or before 14 March 2020
David James Wall	32,291,666	0.69%	40,000,000 Unlisted Options exercisable at A\$0.021 on or before 1 November 2018
			20,000,000 Unlisted Options exercisable at A\$0.06 on or before 14 March 2020
Brent Villemarette	7,221,222	0.15%	5,000,000 Unlisted Options exercisable at A\$0.06 on or before 14 March 2020
			6,000,000 Unlisted Options exercisable at A\$0.021 on or before 1 November 2018

8. ACTIONS TO BE TAKEN BY SHAREHOLDERS IN RESPECT TO THE OPEN OFFER

If you are a Qualifying Ordinary Shareholder, you will have received an Application Form which gives details of your entitlement under the Open Offer (as shown by the number of Open Offer Entitlements allocated to you). If you wish to apply for the number of Open Offer Shares you are entitled to under the Open Offer (as shown by the number of Open Offer Entitlements allocated to you) or more or less Open Offer Shares than you are entitled to under the Open Offer, you should complete the enclosed Application Form in accordance with the procedure for application set out in paragraph 4(i) of Part 3 of this document and on the Application Form itself.

If you are a Qualifying Depositary Interest Holder, no Application Form is enclosed and you will receive a credit to your appropriate stock account in CREST in respect of the Open Offer Entitlements representing your entitlement under the Open Offer. You should refer to the procedure for application set out in paragraph 4(ii) of Part 3 of this document.

The latest time for applications under the Open Offer to be received is as set out in the Timetable. The procedure for application and payment depends on whether, at the time at which application and payment is made, you have an Application Form in respect of your entitlement under the Open Offer or have CREST Entitlements credited to your stock account in CREST in respect of such entitlement. The procedures for application and payment are set out in Part 3 of this document. Further details also appear in the Application Form which has been sent to Qualifying Shareholders.

Qualifying Depositary Interest Holders who are CREST sponsored members should refer to their CREST sponsors regarding the action to be taken in connection with this document and the Open Offer.

9. OVERSEAS SHAREHOLDERS

Information for Shareholders who are resident in, or who are citizens of, or who have registered addresses in, countries other than the Relevant Jurisdictions appears in paragraph 7 of Part 3 of this document, which sets out the restrictions applicable to such persons. If you are an Overseas Shareholder, it is important that you read that part of this document.

10. TAXATION

Information regarding taxation in the United Kingdom in connection with the Open Offer is set out in paragraph 6 of Part 3 of this document. The Company, its advisors and its officers do not accept any responsibility or liability for any such taxation consequences to Shareholders or holders of Depositary Interests.

The Directors do not consider it appropriate to give Shareholders advice regarding the taxation consequences of subscribing for Open Offer Shares in any other jurisdiction. Shareholders who are in any doubt as to their tax position, or who are subject to tax in any other jurisdiction, should consult their professional adviser as soon as possible.

11. RISK FACTORS AND ADDITIONAL INFORMATION

Your attention is drawn to the risk factors in Part 2 of this document which are important and should be read in full and the additional information set out in Part 4 of this document.

12. RECOMMENDATION

The Board believes that the Open Offer is in the best interests of the Company, and the Shareholders as a whole, for the following reasons:

- The proceeds from the Open Offer will allow the Company to maintain its assets in good standing and service its debt obligations;
- Strengthening the balance sheet ahead of drilling is a prudent measure in the event that unforeseen drilling costs are incurred, such as overruns or production testing; and
- Shareholders get an opportunity to increase their leverage to upcoming potentially transformational activity.

Yours faithfully,



Michael Evans

Chairman

PART 2

RISK FACTORS

The investment detailed in this document may not be suitable for all of its recipients and involves a high degree of risk. Before making an investment decision, prospective investors are advised to consult a professional adviser authorised under FSMA who specialises in advising on investments of the kind described in this document. Prospective investors should consider carefully whether an investment in the Company is suitable for them in light of their personal circumstances and the financial resources available to them.

The exploration for and development of natural resources is a highly speculative activity which involves a high degree of risk. Accordingly, the Ordinary Shares should be regarded as a highly speculative investment and an investment in the Company should only be made by those with the necessary expertise to evaluate the investment fully.

In addition to the other relevant information set out in this document, the Directors consider that the following risk factors, which are not set out in any particular order of priority, are of particular relevance to the Group's activities and to any investment in the Company. It should be noted that additional risks and uncertainties not presently known to the Directors or which they currently believe to be immaterial may also have an adverse effect on the Group. Any one or more of these risk factors could have a materially adverse impact on the value of the Group and should be taken into consideration when assessing the Company. Any of these risks could result in the market price of the Ordinary Shares reducing and an investor may lose part or all of its investment.

There can be no certainty that the Company will be able to implement successfully the strategy set out in this document. No representation is or can be made as to the future of the Group and there can be no assurance that the Group will achieve its objectives.

This document contains forward-looking statements that involve risks and uncertainties. The Group's actual results could differ materially from those anticipated in the forward-looking statements as a result of many factors, including the risks faced by the Group which are described below and elsewhere in this document. Prospective investors and Shareholders should carefully consider the other information in this document.

1. RISKS RELATING TO THE GROUP'S ACTIVITIES

Early stage of operations

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

Further, the Group has no assets producing positive cash flow and its ultimate success will depend on the Directors' ability to implement their strategy, generate cash flow from economically viable projects and access equity markets. Whilst the Directors are optimistic about the Group's prospects, there is no certainty that anticipated outcomes and sustainable revenue streams will be achieved. The Group will not generate any material income until commercial production has commenced, if indeed it does, and in the meantime the Group will continue to expend its cash reserves and will, in due course, need to raise additional capital, which the Company

anticipates would be by way of the issue of further Ordinary Shares and/or by way of the farm-out of part of the Group's interests in the Blocks but could also include financing through debt.

The Group's projects have no operating history upon which to base estimates of future cash operating costs. For early stage projects, estimates of proven and probable reserves and cash operating costs are, to a large extent, based upon the interpretation of geological data and feasibility studies which derive estimates of cash operating costs based upon anticipated recoveries, expected recovery rates, comparable facility and equipment operating costs, anticipated climatic conditions and other factors. As a result, it is possible that actual cash operating costs and economic returns may differ materially from those estimated.

General exploration and production risks

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

The operations of the Group may be disrupted, curtailed, delayed or cancelled by a variety of risks and hazards which are beyond the control of the Group, including unusual or unexpected geological formations, formation pressures, geotechnical and seismic factors, environmental hazards, industrial accidents, occupational and health hazards, technical failures, mechanical difficulties, equipment shortages, labour disputes, fires, explosions, power outages and extended interruptions due to inclement or hazardous weather conditions and other acts of God. Any one of these risks and hazards could result in work stoppages, damage to, or destruction of, the Group's facilities, personal injury, damage to life or property, environmental damage or pollution, business interruption, monetary losses and possible legal liability which could have a material adverse impact on the business, operations and financial performance of the Group. Although precautions to minimise risk are taken, even a combination of careful evaluation, experience and knowledge may not eliminate all of the hazards and risks. In addition, not all of these risks are insurable.

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

Hydrocarbon reserve and resource estimates

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

could render reserves uneconomic to recover and may ultimately result in a reclassification of reserves as resources.

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

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

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

Farm-out and joint venture partners

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

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

Volatility in the price of oil and gas and the general economic climate

The general economic climate and market price of, and demand for, oil and gas is volatile and is affected by a variety of factors which are beyond the Group's control. These include international supply and demand, the level of consumer product demand, weather conditions, the price and availability of alternative fuels, growth in gross domestic product, supply and demand of capital, employment trends, international economic trends, currency exchange rate fluctuations, the level of interest rates and the rate of inflation, the cost of freight, global or regional political events and international events, as well as a range of other market forces. The aggregate effect of these factors is impossible to predict. Sustained downward movements in oil and gas prices could render less economic, or wholly uneconomic, some or all of the exploration and potential future oil and gas production related activities to be undertaken by the Group.

Availability of drilling, exploration and production equipment

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

Government regulations and permits

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

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

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

Expropriation Risk

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

Dependence on key executives and personnel

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

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

Labour

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

Risks associated with the need to maintain an effective system of internal controls

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

Environmental, health and safety and other regulatory standards

The projects in which the Group invests and its exploration and potential production activities are subject to various laws and regulations relating to the protection of the environment (including regular environmental impact assessments and the obtaining of appropriate permits or approvals by relevant environmental authorities) and are also required to comply with applicable health and safety and other regulatory standards. Environmental legislation in particular can, in certain jurisdictions, comprise numerous regulations which might conflict with one another and which cannot be consistently interpreted.

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

Any failure to comply with relevant environmental, health and safety and other regulatory standards may subject the Group to extensive liability, fines and/or penalties and have an adverse effect on the business and operations, financial results or financial position of the Group. Furthermore, the future introduction or enactment of new laws, guidelines and regulations could serve to limit or curtail the growth and development of the Group's business or

have an otherwise negative impact on its operations. Any changes to, and increases in, current regulation or legal requirements may have a material adverse effect upon the Group in terms of additional compliance costs.

Decommissioning and abandonment

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

Retention of key business relationships

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

Project development risks

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

Payment obligations, work commitments and other obligations under Blocks related agreements

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

The Group's objectives may not be fulfilled

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

2. GENERAL BUSINESS RISKS RELATING TO THE GROUP

Future funding requirements

Significant capital investment will be required to further advance the Group's existing projects. In particular, the Group will be required to investigate the funding options available to allow it to meet its ongoing commitments. The Group will need to raise additional capital which the Company anticipates may be by way of the farm-out of part of its interests in the Blocks and/or by way of the issue of further Ordinary Shares but could include financing by way of debt, or through other means, to finance its anticipated future operations, its working capital or capital expenditure requirements or to make acquisitions and finance its growth through future stages of development. Please refer to the risk factor titled 'Farm-out and joint venture partners'.

Additional equity issues may have a dilutive effect on the then prevailing Shareholders and investors if they are unable or choose not to subscribe for such additional Ordinary Shares and the issue of additional Ordinary Shares by the Company, or the possibility of such an issue, may cause the market price of the Ordinary Shares to decline.

Furthermore, any debt financing, if available, may include conditions that would restrict the Group's freedom to operate its business, such as conditions that:

- limit the Group's ability to pay dividends or require it to seek consent for the payment of dividends;
- increase the Group's vulnerability to general adverse economic and industry conditions;
- require the Group to dedicate a portion of any cash flow arising from future operations to payments on its debt, thereby reducing the availability of its cash flow to fund capital expenditures, working capital and other general corporate purposes; and
- limit the Group's flexibility in planning for, or reacting to, changes in its business and its industries.

There can be no guarantee or assurance that such farm-outs, debt funding or additional equity will be forthcoming when required, or as to the terms and price on which such funds would be available if at all. If the Group is unable to obtain additional financing as needed, or on terms which are acceptable, it may not be able to fulfil its strategy, which could have a material adverse effect on the Group's business, financial position and prospects. It may also be required to reduce the scope of its operations or anticipated growth, forfeit its interest in some or all of its assets, incur financial penalties or reduce or terminate its operations.

Insurance coverage and uninsured risks

The Group insures its operations in accordance with industry practice and plans to insure the risks it considers appropriate for the Group's needs and circumstances. However, the Group may elect not to have insurance for certain risks, due to the high premium costs associated with insuring those risks or for various other reasons, including an assessment that the risks are remote. No assurance can be given that the Group will be able to obtain insurance coverage at reasonable rates (or at all), or that any coverage it obtains will be adequate and available to cover any claims arising. The Group may become subject to liability for pollution or other hazards against which it has not insured or cannot insure, including those in respect of past activities for which it was not responsible. Some forms of insurance protection used in mature oil and gas basins may be unavailable in Alaska or other countries in which the Group from time to time operates. In the event that insurance coverage is not available or the Group's insurance is insufficient to fully cover any losses, claims and/or liabilities incurred, the Group's business and operations, financial results or financial position may be disrupted and adversely affected.

The payment by the Group's insurers of any insurance claims may result in increases in the premiums payable by the Group for its insurance cover and adversely affect the Group's financial performance. In the future, some or all of the Group's insurance coverage may become unavailable or prohibitively expensive.

Shareholder taxation

The tax consequences to each Shareholder of owning Ordinary Shares will depend, inter alia, on tax laws in the jurisdiction in which that Shareholder is resident or domiciled. Potential investors should consult their professional advisers on the possible tax consequences of subscribing for, buying, holding, selling or transferring Ordinary Shares under the laws of their country of citizenship, residence or domicile.

Litigation

Save as disclosed in this document, while the Group currently has no material outstanding litigation or dispute, there can be no guarantee that the current or future actions of the Group will not result in litigation since there have been a number of cases where the rights and privileges of natural resource companies have been the subject of litigation. The petroleum industry, as with all industries, may be subject to legal claims, both with and without merit, from time to time. The Directors cannot preclude that such litigation may be brought against the Group in the future. Defence and settlement costs can be substantial, even with respect to claims that have no merit. Due to the inherent uncertainty of the litigation process, there can be no assurance that the resolution of any particular legal proceeding will not have a material adverse effect on the Group's financial position, results or operations. The Group's business may be materially adversely affected if the Group and/or its employees or agents are found not to have met the appropriate standard of care or not exercised their discretion or authority in a prudent or appropriate manner in accordance with accepted standards.

3. RISKS RELATING TO OPERATIONS IN ALASKA

Environmental, health and safety and other regulatory standards

The projects in which the Group invests and its exploration and potential production activities are subject to various laws and regulations relating to the protection of the environment (including regular environmental impact assessments and the obtaining of appropriate permits or approvals by relevant environmental authorities) and are also required to comply with applicable health and safety and other regulatory standards. Environmental legislation in particular can, in certain jurisdictions, comprise numerous regulations which might conflict with one another and which cannot be consistently interpreted.

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

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

Government regulations and permits

The Blocks are located in Alaska and there are a number of risks which the Group is unable to control. There is a risk that the Group's activities will be adversely affected by economic and political factors such as the imposition of additional taxes and charges, cancellation or suspension of licences and permits, expropriation, war, terrorism,

insurrection and changes to the laws and regulations governing petroleum exploration and development, including labour standards and occupational health, site safety, toxic substances and other matters.

The projects in which the Group invests and its exploration and potential production activities are subject to various laws and regulations relating to the protection of the environment (including regular environmental impact assessments and the obtaining of appropriate permits or approvals by relevant environmental authorities) and are also required to comply with applicable health and safety and other regulatory standards. Environmental legislation in particular can, in certain jurisdictions, comprise numerous regulations which might conflict with one another and which cannot be consistently interpreted.

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

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

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

Expropriation Risk

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

Exchange rate fluctuations

Currency fluctuations may affect the Group's operating cash flow since certain of its costs and revenues are likely to be denominated in a number of different currencies including Australian Dollars, Pounds Sterling and US Dollars, and the currencies of countries in which the Group is operating or proposes to operate. Fluctuations in exchange rates between currencies in which the Group operates may cause fluctuations in its financial results which are not necessarily related to its underlying operations. The Group has not engaged in hedging or other risk management activities in order to offset the risk of currency exchange rate fluctuations although the Directors will consider, if appropriate, to minimise such risks, where appropriate, through the use of hedging or other financial

instruments. The Group cannot predict in any meaningful way the effect of exchange rate fluctuations upon future results.

Acts of God, war, terrorist attacks and contagious diseases

The Group's business is affected by general economic conditions in Alaska, the United States and Australia as well as in other parts of the world. Acts of God such as natural disasters and outbreaks of highly contagious diseases are beyond the control of the Group and, while isolated, may adversely affect the economy, infrastructure and livelihood of people in the countries in which the Group is operating or proposing to operate and other parts of the world. The Group's business and profitability may be adversely affected should such acts of God and/or outbreaks occur and/or continue. There can be no assurance that any war, terrorist attack or other hostilities in any part of the world, potential, threatened or otherwise, will not, directly or indirectly, have an adverse effect on the operations and profitability of the Group.

4. RISKS ASSOCIATED WITH THE ORDINARY SHARES

Share price volatility and liquidity

There can be no assurance that an active or liquid trading market for the Ordinary Shares will be available or maintained.

AIM is a market designed primarily for emerging or smaller growing companies which carry a higher than normal financial risk and tend to experience lower levels of liquidity than larger companies. Accordingly, AIM may not provide the liquidity normally associated with the Official List or some other stock exchanges. The Ordinary Shares may therefore be difficult to sell compared to the shares of companies listed on the Official List and the share price may be subject to greater fluctuations than might otherwise be the case.

The Company is principally aiming to achieve capital growth and, therefore, Ordinary Shares may not be suitable as a short-term investment. Consequently, the share price may be subject to greater fluctuation on small volumes of shares traded, and thus the Ordinary Shares may be difficult to sell at a particular price. Prospective investors should be aware that the value of an investment in the Company may go down as well as up and that the market price of the Ordinary Shares may not reflect the underlying value of the Company. There can be no guarantee that the value of an investment in the Company will increase. Investors may therefore realise less than, or lose all of, their original investment.

The share prices of publicly quoted companies can be highly volatile and shareholdings illiquid. The price at which the Ordinary Shares are quoted and the price which investors may realise for their Ordinary Shares may be influenced by a large number of factors, some of which are general or market specific, others which are sector specific and others which are specific to the Group and its operations. These factors include, without limitation, the performance of the Company and the overall stock market, large purchases or sales of Ordinary Shares by other investors, changes in legislation or regulations and changes in general economic, political or regulatory conditions and other factors which are outside of the control of the Company.

Shareholders may sell their Ordinary Shares in the future to realise their investment. Sales of substantial amounts of Ordinary Shares following Admission or the perception that such sales could occur, could materially adversely affect the market price of the Ordinary Shares available for sale compared to the demand to buy Ordinary Shares. Such sales may also make it more difficult for the Company to sell equity securities in the future at a time and price that is deemed appropriate. There can be no guarantee that the price of the Ordinary Shares will reflect their actual or potential market value or the underlying value of the Group's net assets and the price of the Ordinary Shares may decline below their current market price.

Investment Risk

An investment in the Company is highly speculative, involves a considerable degree of risk and is suitable only for persons or entities which have substantial financial means and who can afford to hold their ownership interests for an indefinite amount of time. While various oil investment opportunities are available, potential investors should consider the risks that pertain to oil exploration and production projects in general.

Dividends

There can be no assurance as to the level of future dividends. The declaration, payment and amount of any future dividends of the Company are subject to the discretion of the Directors, and will depend on, among other things, the Company's earnings, financial position, cash requirements and availability of profits. A dividend may never be paid and at present there is no intention to pay a dividend. At present, the Company's dividend policy is that all funds available for distribution should be reinvested in the business of the Company.

Share options and warrants

The Company has issued options and warrants to certain advisers, employees, Directors, senior management and consultants of the Group. The Company's remuneration committee is also currently considering allowing further options to be issued to Directors and senior management as part of remuneration packages. This could lead to further options being issued in the coming months. The exercise of any such share options and warrants would result in a dilution of the shareholdings of other investors.

PART 3

TERMS AND CONDITIONS OF THE OPEN OFFER

1. INTRODUCTION

As explained in Part 1 of this document, the Company proposes to raise up to a maximum of approximately £7.96 million by way of an Open Offer of up to 795,884,235 Open Offer Shares at the Issue Price. The Company hereby invites Qualifying Shareholders to apply, on and subject to the terms and conditions set out in this document and, where relevant, in the Application Form, and subject to the Constitution, for Open Offer Shares pro rata to their holdings of Existing Ordinary Shares on the Record Date at the Issue Price, free from all expenses, payable in cash in full on application.

Qualifying Shareholders are also being given the opportunity, provided that they take up their Open Offer Entitlement in full, to apply for additional Open Offer Shares through the Excess Application Facility. Applications under the Excess Application Facility for any Excess Shares beyond a Qualifying Shareholder's Open Offer Entitlement shall be determined by the Directors in their absolute discretion and no assurance can be given that these applications will be met in full, in part or at all. In the event of oversubscription for Excess Shares under the Excess Application Facility, the Directors intend to limit applications by Qualifying Shareholders pro rata to their holdings of Existing Ordinary Shares.

The participation of a Qualifying Shareholder for its Open Offer Entitlement and any Excess Shares under the Excess Application Facility does not guarantee that its percentage shareholding will not be diluted from the position prior to the Open Offer as a result of the Open Offer.

The Company reserves the right to undertake a placing to institutional investors of any Shortfall Open Offer Shares.

Application will be made to the London Stock Exchange and the ASX for the Open Offer Shares to be admitted to trading on AIM and ASX. It is expected that Admission will become effective and that dealings in the Open Offer Shares will commence on AIM and ASX as set out in the Timetable.

If a Qualifying Ordinary Shareholder does not wish to apply for Open Offer Shares it should not complete or return the Application Form.

A maximum number of 795,884,235 Open Offer Shares will be offered to Qualifying Shareholders as part of the Open Offer. In no circumstances will more than this number of Ordinary Shares be issued pursuant to the Open Offer.

2. THE OPEN OFFER

Subject to the fulfilment of the terms and conditions referred to in this document and, where relevant, set out in the Application Form, Qualifying Shareholders are being given the opportunity to apply for Open Offer Shares at the Issue Price pro rata to their holdings of Existing Ordinary Shares on the Record Date, free of expenses, payable in full in cash on application, on the basis of:

1 Open Offer Share for every 7 Existing Ordinary Shares

registered in the name of each Qualifying Shareholder at the Record Date. Qualifying Shareholders may apply for more or less Open Offer Shares than they are entitled to under the Open Offer. Applications under the Excess Application Facility for any Excess Shares shall be determined by the Directors in their absolute discretion and no assurance can be given that these applications will be met in full, in part or at all. In the event of oversubscription for Excess Shares under the Excess Application Facility, the Directors intend to limit applications by Qualifying Shareholders pro rata to their holdings of Existing Ordinary Shares but in any event to ensure that the total consideration under the Open Offer within the UK shall be less than €8 million (or an equivalent amount in sterling) in aggregate.

The total consideration under the Open Offer in the UK shall be less than €8 million (or an equivalent amount) in aggregate (so that the Company is not required to prepare a prospectus in connection with the Open Offer for the purposes of the Prospectus Rules published by the FCA). To the extent that applications received from Qualifying Shareholders in the UK reach or exceed €8 million in aggregate, excess applications shall be scaled-back at the absolute discretion of the Company (but with the intention that it shall not be scaled back to an amount which is less than the relevant Qualifying Shareholder's Open Offer Entitlement). Any monies received from an applicant in excess of the amount due because applications have been scaled-back will be returned to the applicant without interest at the applicant's sole risk.

Holdings of Ordinary Shares and Depositary Interests will be treated as separate holdings for the purpose of calculating Entitlements under the Open Offer. In accordance with the Constitution, fractions of Open Offer Shares will not be allotted, each Qualifying Shareholder's entitlement being rounded up to the nearest whole number. The fractional entitlements may be aggregated and made available via the Excess Application Facility. The action to be taken in relation to the Open Offer depends on whether, at the time at which application and payment is made, you have an Application Form in respect of your entitlement under the Open Offer or have Open Offer Shares representing your CREST Entitlements credited to your stock account in CREST in respect of such entitlement.

If you are a Qualifying Ordinary Shareholder you will have received an Application Form with this document and you should refer to paragraph 4(i) and paragraphs 5 to 11 of this Part 3.

If you hold your Depositary Interests in CREST and have received a credit of your CREST Entitlements to your CREST stock account, please refer to paragraph 4(ii) and paragraphs 5 to 11 of this Part 3 and also to the CREST Manual for further information on the CREST procedures referred to below.

Whilst the Open Offer is made on a pro rata basis and is a rights issue for the purposes of Australian law, the Open Offer is not a rights issue for the purposes of the laws of England and Wales. Qualifying Depositary Interest Holders should note that although the CREST Entitlements will be admitted to CREST and be enabled for settlement, applications in respect of Entitlements under the Open Offer may only be made by the Qualifying Shareholder originally entitled or by a person entitled by virtue of a bona fide market claim raised by Euroclear's Claims Processing Unit. Qualifying Ordinary Shareholders should note that the Application Form is not a negotiable document and cannot be traded. Qualifying Shareholders should be aware that in the Open Offer, unlike in a rights issue, any Open Offer Shares not applied for under the Open Offer (including under the Excess Application Facility) will not be sold in the market or placed for the benefit of Qualifying Shareholders who do not apply under the Open Offer, but instead the Company reserves its right to place any Shortfall Open Offer Shares to institutional investors.

The Existing Ordinary Shares are admitted to trading on AIM and ASX. Application will be made for the Open Offer Shares to be admitted to trading on AIM and ASX. It is expected that Admission will become effective and that dealings will commence in the Open Offer Shares in accordance with the Timetable.

The Depositary Interests are already admitted to CREST. No further application for admission to CREST is accordingly required for the Open Offer Shares; all of such Open Offer Shares, when issued and fully paid, may be held and transferred as Depositary Interests by means of CREST.

Application has been made for the CREST Entitlements to be admitted to CREST. The conditions to such admission having already been met, the CREST Entitlements are expected to be admitted to CREST with effect from 12 October 2018.

The Open Offer Shares will be issued fully paid and will be identical to, and rank pari passu in all respects with, the Existing Ordinary Shares and will rank in full for all dividends or other distributions declared, made or paid after the date of issue of the Open Offer Shares. No temporary documents of title will be issued.

Qualifying Depositary Interest Holders will have their entitlement to Open Offer Shares passed on to them by Computershare Investor Services plc in its capacity as Depositary in accordance with the terms of the Deed Poll.

3. CONDITIONS AND FURTHER TERMS OF OPEN OFFER

The Open Offer is conditional, amongst other things, upon Admission of the Open Offer Shares becoming effective by not later than 8.00 a.m. on 31 October 2018 (or such later time and/or date as the Company may determine). Accordingly, if any of such conditions are not satisfied, or, if applicable, waived, the Open Offer will not proceed.

Further terms of the Open Offer are set out in this document and, where appropriate, in the Application Form.

4. PROCEDURE FOR APPLICATION AND PAYMENT

The action to be taken by a Qualifying Shareholder in respect of the Open Offer depends on whether, at the relevant time, a Qualifying Shareholder has an Application Form in respect of its entitlement under the Open Offer or Open Offer Shares representing its CREST Entitlements credited to its CREST stock account in respect of such entitlement.

Qualifying Depositary Interest Holders will be allotted Open Offer Shares through Depositary Interests in uncertificated form to the extent that their entitlement to Open Offer Shares arises as a result of holding Existing Ordinary Shares through Depositary Interests. However, it will be possible for Qualifying Shareholders to deposit entitlements into, and withdraw them from, CREST. Further information on deposit and withdrawal from CREST is set out in paragraph 4(ii)(h) of this Part 3.

CREST sponsored members should refer to their CREST sponsor, as only their CREST sponsor will be able to take the necessary action specified below to apply under the Open Offer in respect of the Open Offer Entitlements of such members held in CREST. CREST members who wish to apply under the Open Offer in respect of their Open Offer Entitlements in CREST should refer to the CREST Manual for further information on the CREST procedures referred to below.

If for any reason it becomes necessary to adjust the expected timetable as set out in this document, the Company will make an appropriate announcement on a Regulatory Information Service giving details of the revised dates.

Further details on how to accept the Open Offer for Qualifying Ordinary Shareholders are contained on the Application Form.

Qualifying Shareholders who do not want to take up or apply for Open Offer Shares under the Open Offer should take no action and, where appropriate, should not complete or return the Application Form.

i. *If you have an Application Form in respect of your entitlement under the Open Offer*

a. *General*

Qualifying Ordinary Shareholders will have received an Application Form enclosed with this document. The Application Form shows the number of Existing Ordinary Shares registered in your name at the Record Date. It also shows the number of Open Offer Shares comprising your Open Offer Entitlement. You may apply for more or less Open Offer Shares than your Open Offer Entitlement should you wish to do so. Qualifying Ordinary Shareholders may apply for additional Open Offer Shares under the Excess Application Facility. Applications for any Excess Shares shall be determined by the Directors in their absolute discretion and no assurance can be given that these applications will be met in full or in part or at all. The total number of Open Offer Shares is fixed and will not be increased in response to any applications in excess of what is available under the Excess Application Facility. In the event of oversubscription for Excess Shares under the Excess Application Facility, the Directors intend to limit applications by Qualifying Shareholders pro rata to their holdings of Existing Ordinary Shares but in any event to ensure that the total consideration under the Open Offer within the UK shall be less than €8 million (or an equivalent amount in sterling) in aggregate. Excess monies in respect of applications which are not met in full will be returned to the applicant (at the applicant's risk) without the payment of interest as soon as practicable.

The instructions and other terms set out in the Application Form form part of the terms of the Open Offer.

b. Market claims

Applications may only be made on the Application Form and may only be made by the Qualifying Ordinary Shareholder named in it or by a person entitled by virtue of a bona fide market claim in relation to a purchase of Existing Ordinary Shares through the market prior to the date upon which the Existing Ordinary Shares were marked “ex” the entitlement to the Open Offer by the London Stock Exchange, being 8.00 a.m. on 9 October 2018. Application Forms may be split up to 3.00 p.m. on 23 October 2018. The Application Form is not a negotiable document and cannot be separately traded. A Qualifying Ordinary Shareholder who has sold or transferred all or part of his holding of Existing Ordinary Shares prior to the date upon which the Ordinary Shares were marked “ex” the entitlement to the Open Offer by the London Stock Exchange, should consult his broker or other professional adviser as soon as possible, as the invitation to acquire Open Offer Shares under the Open Offer may be a benefit which may be claimed by the transferee from his counterparty. Qualifying Shareholders who have sold all or part of their registered holdings should, if the market claim is to be settled outside CREST, complete the appropriate section of the Application Form and immediately send it to the stockbroker, bank or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee. The Application Form should not, however, subject to certain exceptions, be forwarded to or transmitted in or into the Restricted Jurisdictions.

If the market claim is to be settled outside CREST, the beneficiary of the claim should follow the procedures set out in the accompanying Application Form. If the market claim is to be settled in CREST, the beneficiary of the claim should follow the procedures set out in paragraph ii(b) below.

c. Excess Application Facility

Qualifying Ordinary Shareholders who have taken up their Open Offer Entitlement in full may apply for additional Open Offer Shares through the Excess Application Facility.

Qualifying Ordinary Shareholders wishing to apply for additional Open Offer Shares through the Excess Application Facility may do so by inserting the total number of Open Offer Shares (including any Open Offer Entitlement) for which application is being made (which may be up to 795,884,235 Open Offer Shares) and following the payment options for the amount inserted in the appropriate section(s) of the Application Form.

Applications under the Excess Application Facility for any Excess Shares shall be determined by the Directors in their absolute discretion and no assurance can be given that these applications will be met in full, in part or at all. In the event of oversubscription for Excess Shares under the Excess Application Facility the Directors intend to limit applications by Qualifying Shareholders pro rata to their holdings of Existing Ordinary Shares as at the Record Date but in any event to ensure that the total consideration under the Open Offer within the UK shall be less than €8 million (or an equivalent amount in sterling) in aggregate. Excess monies in respect of applications which are not met in full will be refunded by post to applicants, at the applicants’ risk and without interest, to the address set out on the designated register at the close of the offer. The interest earned on monies held in the separate bank account will be retained for the benefit of the Company.

All enquiries in connection with the procedure for making an excess application should be addressed to Computershare Australia on telephone number 1300 850 505 from within Australia or +61 3 9415 4000 from outside Australia. This helpline is open from 8.30 a.m. to 5.00 p.m. on business days (i.e. Monday to Friday and excluding public holidays) in Australia. Please note that calls to the helpline may be monitored or recorded and that the helpline is not able to advise on the merits of the matters set out in this document or provide any personal legal, financial or taxation advice.

d. Application procedures

If you are a Qualifying Ordinary Shareholder and wish to apply for all, some or more than your entitlement to Open Offer Shares under the Open Offer you should follow the instructions on the Application Form.

Please note that the neither Computershare Australia nor Computershare UK can provide financial advice on the merits of the Open Offer or as to whether or not you should take up your entitlement to Open Offer Shares under the Open Offer. If a Qualifying Ordinary Shareholder is returning the Application Form and payment by post, they should ensure it is posted in sufficient time to be received by the closing time and date. The Company may, in its sole discretion, elect to treat an Application Form as valid and binding on the person(s) by whom or on whose behalf it is lodged, even if it is not completed in accordance with the relevant instructions, or if it does not strictly comply with the terms and conditions of application. Applications will not be acknowledged.

e. Payments

All payments must be made in accordance with the instructions and available payment methods on the Application Form.

Cheques or banker's drafts will be presented for payment upon receipt. The Company reserves the right to instruct Computershare Australia to seek special clearance of cheques and banker's drafts to allow the Company to obtain value for remittances at the earliest opportunity. No interest will be allowed on payments made before they are due and any interest earned on such payments will accrue for the benefit of the Company. It is a term of the Open Offer that cheques shall be honoured on first presentation, and the Company may elect in its absolute discretion to treat as invalid acceptances in respect of which cheques are not so honoured.

Application monies will be paid into a separate bank account pending the Open Offer becoming unconditional. In the event that it does not become unconditional by 8.00 a.m. on 29 October 2018 (or such later time and date as the Company may determine), the Open Offer will lapse and application monies will be refunded by post to applicants, at the applicants' risk and without interest, to the address set out on the register at the closing time and date. The interest earned on monies held in the separate bank account will be retained for the benefit of the Company.

f. Effect of application

All documents and remittances sent by post by or to an applicant (or as the applicant may direct) will be sent at the applicant's own risk.

By completing and delivering an Application Form, the applicant gives the representations, warranties, covenants, agreements and acknowledgments set out in Schedule 1.

If you do not wish to apply for any of the Open Offer Shares to which you are entitled under the Open Offer, you should not complete and return the Application Form.

If you are in any doubt as to whether or not you should apply for any of the Open Offer Shares under the Open Offer, you should consult your independent financial adviser immediately. All enquiries in relation to the procedure for application for Qualifying Ordinary Shareholders under the Open Offer should be addressed to Computershare Australia on telephone number 1300 850 505 from within Australia or +61 3 9415 4000 from outside Australia. This helpline is open from 8.30 a.m. to 5.00 p.m. on business days (i.e. Monday to Friday and excluding public holidays) in Australia. Please note that Computershare Australia cannot provide financial advice on the merits of the Open Offer or as to whether or not you should take up your entitlement.

ii. ***If you have Open Offer Entitlements credited to your stock account in CREST in respect of your entitlement under the Open Offer***

a. ***General***

Save as provided in paragraph 7 of Part 3 of this document in relation to Overseas Shareholders, each Qualifying Depositary Interest Holder will receive a credit to his stock account in CREST of his Open Offer Entitlements.

The CREST stock account to be credited will be an account under the Participant ID and Member Account ID that apply to the Existing Ordinary Shares held on the Record Date by the Qualifying Depositary Interest Holder in respect of which the CREST Entitlements have been allocated.

If for any reason the CREST Entitlements cannot be admitted to CREST, or the stock accounts of Qualifying Depositary Interest Holders cannot be credited, by 3.00 p.m. on 22 October 2018 or such later time as the Company may decide, an Application Form will be sent out to each Qualifying Depositary Interest Holder in substitution for the CREST Entitlements credited to his stock account in CREST. In these circumstances the expected timetable as set out in this document will be adjusted as appropriate and the provisions of this document applicable to Qualifying Ordinary Shareholders with Application Forms will apply to Qualifying Depositary Interest Holders who receive Application Forms.

CREST members who wish to apply for some, all or more than their entitlements to Open Offer Shares should refer to the CREST Manual for further information on the CREST procedures referred to below. Should you need advice with regard to these procedures, please contact Computershare Investor Services plc in the UK on 0370 707 4040 or if you are calling from outside the UK on +44 (0)370 707 4040. If you are a CREST sponsored member you should consult your CREST sponsor if you wish to apply for Open Offer Shares as only your CREST sponsor will be able to take the necessary action to make this application in CREST.

b. ***Market claims***

Each of the CREST Entitlements, will constitute a separate security for the purposes of CREST and will have a separate ISIN. Although each of the CREST Entitlements will be admitted to CREST and be enabled for settlement, applications in respect of the CREST Entitlements may only be made by the Qualifying Shareholder originally entitled or by a person entitled by virtue of a bona fide market claim transaction. Transactions identified by the CREST Claims Processing Unit as “cum” the CREST Entitlements will generate an appropriate market claim transaction and the relevant CREST Entitlements will thereafter be transferred accordingly.

c. ***Excess Application Facility***

The Excess Application Facility enables Qualifying Depositary Interest Holders to apply for additional Open Offer Shares in excess of their Open Offer Entitlement.

A CREST Excess Entitlement may not be sold or otherwise transferred.

Save as provided in paragraph 7 of Part 3 of this document in relation to Overseas Shareholders, the CREST accounts of Qualifying Depositary Interest Holders will be credited with a CREST Excess Entitlement in order for any applications for Excess Shares to be settled through CREST.

Qualifying Depositary Interest Holders should note that, although the CREST Entitlements will be admitted to CREST, they will have limited settlement capabilities (for the purposes of market claims only). The CREST Entitlements will not be tradeable or listed and applications in respect of the Open Offer may only be made by the Qualifying Depositary Interest Holders originally entitled or by a person entitled by virtue of a bona fide market claim.

To apply for Excess Shares pursuant to the Excess Application Facility, Qualifying Depositary Interest Holders should follow the instructions below for submitting an Unmatched Stock Event (“USE”) in respect of the Excess Application Facility.

Credits of CREST Excess Entitlements will be made to each Qualifying Depositary Interest Holder; if a Qualifying Depositary Interest Holder would like to apply for a larger CREST Excess Entitlement, such Qualifying Depositary Interest Holder should contact the Registrar to arrange for a further credit of CREST Excess Entitlements, subject at all times to the maximum number of Open Offer Shares available.

All enquiries in connection with the procedure for making an excess application should be addressed to the Registrar at Computershare Investor Services plc or by phone on 0370 707 4040 or if you are calling from outside the UK on +44 (0)370 707 4040. Lines are open 8.30 a.m. to 5.00 p.m. (London time) Monday to Friday. Calls to the helpline from outside the UK will be charged at the applicable international rate. Different charges may apply to calls from mobile telephones and calls may be recorded and randomly monitored for security and training purposes. The helpline cannot provide advice on the merits of the Open Offer nor give any financial, legal or tax advice.

d. *USE instructions*

CREST members who wish to apply for Open Offer Shares in respect of some, all or more than their Open Offer Entitlements and/or CREST Excess Entitlements (as applicable) in CREST must send (or, if they are CREST sponsored members, procure that their CREST sponsor sends) a USE instruction to Euroclear which, on its settlement, will have the following effect:

- i. the crediting of a stock account of the Registrar under the Participant ID and Member Account ID specified below, with a number of Open Offer Entitlements and CREST Excess Entitlements corresponding to the number of Open Offer Shares applied for; and
- ii. the creation of a CREST payment, in accordance with the CREST payment arrangements, in favour of the payment bank of the Registrar in respect of the amount specified in the USE instruction which must be the full amount payable on application for the number of Open Offer Shares referred to in (i) above.

e. *Content of USE instructions*

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

- i. the number of Open Offer Shares for which application is being made (and hence the number of the Open Offer Entitlement(s) being delivered to the Registrar);
- ii. the ISIN of the Open Offer Entitlement. This is AU0000026304;
- iii. the CREST Participant ID of the accepting CREST member;
- iv. the CREST Member Account ID of the accepting CREST member from which the Open Offer Entitlements are to be debited;
- v. the Participant ID of the Registrar, in its capacity as a CREST receiving agent. This is 8RA07;
- vi. the Member Account ID of the Registrar, in its capacity as a CREST receiving agent. This is 88ENERGY;
- vii. the amount payable by means of a CREST payment on settlement of the USE instruction. This must be the full amount payable on application for the number of Open Offer Shares referred to in (i) above;

- viii. the intended settlement date. This must be on or before 11.00 a.m. on 26 October 2018; and
- ix. the Corporate Action Number for the Open Offer. This will be available by viewing the relevant corporate action details in CREST.

In order for an application under the Open Offer to be valid, the USE instruction must comply with the requirements as to authentication and contents set out above and must settle on or before 11.00 a.m. on 26 October 2018.

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

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

CREST members and, in the case of CREST sponsored members, their CREST sponsors, should note that the last time at which a USE instruction may settle on 26 October 2018 in order to be valid is 11.00 a.m. on that day.

In the event that the Open Offer does not become unconditional by 8.00 a.m. on 29 October 2018 (or such later time and date as the Company may determine), the Open Offer (including the Excess Application Facility) will lapse, the CREST Entitlements admitted to CREST will be disabled and the Registrar will refund the amount paid by a Qualifying Depositary Interest Holder by way of a CREST payment, without interest, within 14 days thereafter. The interest earned on such monies will be retained for the benefit of the Company.

f. Content of USE Instructions in respect of the CREST Excess Entitlements under the Excess Application Facility

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

- i. the number of Excess Shares for which application is being made (and hence the number of the CREST Excess Entitlement(s) being delivered to the Registrar);
- ii. the ISIN of the CREST Excess Entitlements (being AU0000026312);
- iii. the Participant ID of the accepting CREST member;
- iv. the CREST Member Account ID of the accepting CREST member from which the CREST Excess Entitlements are to be debited;
- v. the Participant ID of the Registrar, in its capacity as a CREST receiving agent. This is 8RA07;
- vi. the Member Account ID of the Registrar, in its capacity as a CREST receiving agent. This is 88ENERGY;
- vii. the amount payable by means of a CREST payment on settlement of the USE instruction. This must be the full amount payable on application for the number of Open Offer Shares referred to in paragraph (i) above;
- viii. the intended settlement date. This must be on or before 11.00 a.m. on 26 October 2018; and
- ix. the Corporate Action Number for the Open Offer. This will be available by viewing the relevant corporate action details in CREST.

In order for an application in respect of the CREST Excess Entitlement under the Excess Application Facility to be valid, the USE instruction must comply with the requirements as to authentication and contents set out above and must settle on or before 11.00 a.m. on 26 October 2018.

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

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

CREST members and, in the case of CREST sponsored members, their CREST sponsors, should note that the last time at which a USE instruction may settle on 26 October 2018 in order to be valid is 11.00 a.m. on that day.

In the event that the Open Offer does not become unconditional by 8.00 a.m. on 29 October 2018 (or such later time and date as the Company may determine), the Open Offer (including the Excess Application Facility) will lapse, the CREST Entitlements admitted to CREST will be disabled and the Registrar will refund the amount paid by a Qualifying Depositary Interest Holder by way of a CREST payment, without interest, within 14 days thereafter. The interest earned on such monies will be retained for the benefit of the Company.

g. Validity of application

A USE instruction complying with the requirements as to authentication and contents set out above which settles by no later than 11.00 a.m. on 26 October 2018 will constitute a valid application under the Open Offer.

h. CREST procedures and timings

CREST members and (where applicable) their CREST sponsors should note that Euroclear does not make available special procedures, in CREST, for any particular corporate action. Normal system timings and limitations will therefore apply in relation to the input of a USE instruction and its settlement in connection with the Open Offer (including the Excess Application Facility). It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST sponsored member, to procure that his CREST sponsor takes) such action as shall be necessary to ensure that a valid application is made as stated above by 11.00 a.m. on 26 October 2018. In this connection CREST members and (where applicable) their CREST sponsors are referred in particular to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

i. Incorrect or incomplete applications

If a USE instruction includes a CREST payment for an incorrect sum, the Company through the Registrar reserves the right:

- i. to reject the application in full and refund the payment to the CREST member in question (without interest);
- ii. in the case that an insufficient sum is paid, to treat the application as a valid application for such lesser whole number of Open Offer Shares as would be able to be applied for with that payment at the Issue Price, refunding any unutilised sum to the CREST member in question (without interest); and
- iii. in the case that an excess sum is paid, to treat the application as a valid application for all the Open Offer Shares referred to in the USE instruction refunding any unutilised sum to the CREST member in question (without interest).

j. Effect of Valid Application

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

- i. give the representations, warranties, covenants, agreements and acknowledgments set out in Schedule 1;
- ii. pay the amount payable on application in accordance with the above procedures by means of a CREST payment in accordance with the CREST payment arrangements (it being acknowledged that the payment to the Registrars payment bank in accordance with the CREST payment arrangements shall, to the extent of the payment, discharge in full the obligation of the CREST member to pay to the Company the amount payable on application); and
- iii. request that the Open Offer Shares to which he will become entitled be issued to him on the terms set out in this document and subject to the Constitution.

k. Company's discretion as to the rejection and validity of applications

The Company may in its sole discretion:

- i. treat as valid (and binding on the CREST member concerned) an application which does not comply in all respects with the requirements as to validity set out or referred to in this Part 3;
- ii. accept an alternative properly authenticated dematerialised instruction from a CREST member or (where applicable) a CREST sponsor as constituting a valid application in substitution for or in addition to a USE instruction and subject to such further terms and conditions as the Company may determine;
- iii. treat a properly authenticated dematerialised instruction (in this sub-paragraph the "first instruction") as not constituting a valid application if, at the time at which the Registrar receives a properly authenticated dematerialised instruction giving details of the first instruction or thereafter, either the Company or the Registrar have received actual notice from Euroclear of any of the matters specified in Regulation 35(5)(a) in relation to the first instruction. These matters include notice that any information contained in the first instruction was incorrect or notice of lack of authority to send the first instruction; and
- iv. accept an alternative instruction or notification from a CREST member or CREST sponsored member or (where applicable) a CREST sponsor, or extend the time for settlement of a USE instruction or any alternative instruction or notification, in the event that, for reasons or due to circumstances outside the control of any CREST member or CREST sponsored member or (where applicable) CREST sponsor, the CREST member or CREST sponsored member is unable validly to apply for Open Offer Shares by means of the above procedures. In normal circumstances, this discretion is only likely to be exercised in the event of any interruption, failure or breakdown of CREST (or any part of CREST) or on the part of the facilities and/or systems operated by the Registrar in connection with CREST.

5. MONEY LAUNDERING REGULATIONS

CREST Entitlements in CREST

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

Submission of a USE instruction which on its settlement constitutes a valid application as described above constitutes a warranty and undertaking by the applicant to provide promptly to the Registrar such information as may be specified by the Registrar as being required for the purposes of the Money Laundering Regulations. Pending the provision of evidence satisfactory to the Registrar as to identity, the Registrar may in its absolute discretion take, or omit to take, such action as it may determine to prevent or delay issue of the Open Offer Shares concerned. If satisfactory evidence of identity has not been provided within a reasonable time, then the application for the Open Offer Shares represented by the USE instruction will not be valid. This is without prejudice to the right of the Company to take proceedings to recover any loss suffered by it as a result of failure to provide satisfactory evidence.

6. TAXATION

The following summary is intended as a general guide for United Kingdom tax resident individuals and United Kingdom tax resident companies who hold Ordinary Shares as investments (rather than as dealing stock). Special rules apply to UK resident individuals who are not domiciled in the United Kingdom; those rules are not described in this summary. The summary is based upon existing legislation and current HM Revenue & Customs published practice, both of which are subject to change at any time, possibly with retrospective effect. Shareholders, whether in the United Kingdom or in any other jurisdiction in which they may be liable to tax, should consult, and rely upon, the advice of their own professional adviser. The Directors do not consider it appropriate to give Shareholders advice regarding the taxation consequences of subscribing for Open Offer Shares in any other jurisdiction. Shareholders who are in any doubt as to their tax position, or who are subject to tax in any other jurisdiction, should consult their professional advisor as soon as possible.

These statements do not apply to certain classes of shareholders, such as dealers in securities, or to shareholders who are not absolute beneficial owners of their Ordinary Shares.

The statements below do not constitute advice to any person.

a. *Tax residence of the Company*

The Company was incorporated in Australia and is considered as being managed and controlled in Australia. Accordingly, it should not be treated as being resident in the UK for UK tax purposes.

b. *Taxation of Dividends*

i. **Individuals**

A UK resident individual shareholder will be entitled to an effective exemption (called the “**dividend nil rate**”) for the first £2,000 of all dividends received (including dividends received from any other share investments in the same tax year) by that shareholder. The allowance exempts the first £2,000 of a UK resident individual shareholder’s dividend income received in a tax year, but does not reduce the total taxable income.

For dividends received in excess of the dividend nil rate threshold, a UK resident individual shareholder who is liable to income tax at the basic rate will be subject to tax on the dividend at the rate of 7.5 per cent. of the gross dividend. UK tax resident individual shareholders who are subject to income tax at the higher rate and the additional rate will have to account for additional income tax. The special rate of income tax set for higher rate tax payers who receive dividends is 32.5 per cent. and for the additional rate taxpayers is 38.1 per cent.

In determining what tax rates apply to a UK tax resident individual shareholder, dividend income is treated as the top slice of income.

ii. **Companies**

Qualifying Shareholders which are within the charge to United Kingdom corporation tax will be subject to corporation tax on dividends paid by the Company, unless (subject to special rules for such Shareholders that are small companies) the dividends fall within an exempt class and unless other conditions are met. It is expected that most dividends paid on Ordinary Shares to UK resident corporate Shareholders would fall within one or more exempt class. However, it should be noted that the exemptions are not comprehensive and are subject to anti-avoidance rules.

iii. **Withholding Tax**

Under current UK tax legislation, no UK tax is withheld from dividends paid by the Company.

iv. **Capital Gains Tax**

The published practice of HMRC to date has been to treat an acquisition of shares by an existing shareholder up to its pro rata entitlement pursuant to the terms of an open offer as a reorganisation but it is understood that HMRC may not apply this practice in circumstances where an open offer is not made to all shareholders.

To the extent that the acquisition of Open Offer Shares under the Open Offer is regarded as a reorganisation, the Open Offer Shares acquired by each Qualifying Shareholder under the Open Offer and the Existing Ordinary Shares in respect of which they are issued will, for the purposes of UK taxation of chargeable gains, be treated as the same asset and as having been acquired at the same time. The amount paid for the Open Offer Shares will be added to the base cost of the Existing Ordinary Shares when computing any gain or loss on any subsequent disposal.

If the acquisition of Open Offer Shares by Qualifying Shareholders up to their pro rata entitlement pursuant to the Open Offer is not regarded as a reorganisation, those Open Offer Shares would, for the purposes of UK taxation of chargeable gains, be treated as acquired as part of a separate acquisition of Ordinary Shares.

Open Offer Shares acquired by Qualifying Shareholders in excess of their pro rata entitlement should in any event be treated as acquired as part of a separate acquisition of Ordinary Shares.

v. **Stamp Duty**

No UK stamp duty or SDRT should be payable on the issue by the Company of any Open Offer Shares.

Qualifying Shareholders who are in any doubt as to their tax position in subscribing for, purchasing, holding or selling Ordinary Shares under the laws of their country and/or state of citizenship, domicile or residence should consult their independent professional adviser immediately.

7. OVERSEAS SHAREHOLDERS

No Overseas Shareholders, which means no Shareholders who have registered addresses or who are resident outside of the Relevant Jurisdictions, including those in a Restricted Jurisdiction, will be eligible to make an application for Open Offer Shares, and in particular no person receiving a copy of this document or the Application Form in any territory other than the Relevant Jurisdictions may treat the same as constituting an offer or invitation to it nor should it in any event complete the Application Form. Accordingly, persons receiving this document and Application Form should not send the same into any other territory, and any copy of this document or the Application Form which is received in any such jurisdiction is sent for information only, is confidential and should not be copied or distributed.

The Company reserves the right to treat as invalid any application or purported application to subscribe for Open Offer Shares pursuant to the Open Offer which appears to the Company or the Registrar to have been executed, effected or dispatched in a manner which may involve a breach of the securities laws or regulations of any jurisdiction.

The Open Offer Shares have not been and are not intended to be registered or qualified for sale in any jurisdiction other than the Relevant Jurisdictions as it is not practicable for the Company to comply with the securities laws of jurisdictions, other than the Relevant Jurisdictions, having regard to the number of Overseas Shareholders, the number and value of Ordinary Shares these Shareholders would be offered and the cost of complying with regulatory requirements in each relevant jurisdiction. Accordingly, unless otherwise determined by the Company and effected by the Company in a lawful manner, the Application Form will not be sent to Shareholders with registered addresses in any jurisdiction other than the Relevant Jurisdictions since to do so would require compliance with the relevant securities laws of that jurisdiction. Applications from any such person will be deemed to be invalid. If an Application Form is received by any Shareholder whose registered address is elsewhere but who is in fact a resident or domiciled in a territory other than a Relevant Jurisdiction, it should not seek to take up its Entitlements.

8. ADMISSION, SETTLEMENT AND DEALINGS

The result of the Open Offer is expected to be announced on 29 October 2018. Application will be made to AIM and ASX for Admission to trading of the Open Offer Shares. It is expected that Admission will become effective and that dealings in the Open Offer Shares, fully paid, will commence in accordance with the Timetable.

The Depositary Interests are already admitted to CREST and application will be made for any Depositary Interests in respect of Open Offer Shares to be admitted to CREST. All such Depositary Interests, when issued and fully paid, may be held and transferred by means of CREST.

The CREST Entitlements held in CREST are expected to be disabled in all respects after 11.00 a.m. on 26 October 2018 (being the latest practicable date for applications under the Open Offer). If the conditions to the Open Offer described above are satisfied, the Open Offer Shares will be issued in uncertificated form to those persons who submitted a valid application for the Open Offer Shares by utilising the CREST application procedures and whose applications have been accepted by the Company. On 31 October 2018, the Registrar will instruct Euroclear to credit the appropriate stock accounts of such persons with such persons' entitlements to Open Offer Shares with effect from Admission (expected to be on 31 October 2018). The stock accounts to be credited will be accounts under the same CREST Participant IDs and CREST Member Account IDs in respect of which the USE instruction was given.

Notwithstanding any other provision of this document, the Company reserves the right to send Qualifying Depositary Interest Holders an Application Form instead of crediting the relevant stock account with CREST Entitlements. In normal circumstances, this right is only likely to be exercised in the event of any interruption, failure or breakdown of CREST (or of any part of CREST) or on the part of the facilities and/or systems operated by the Registrar in connection with CREST.

All documents or remittances sent by or to applicants, or as they may direct, will be sent through the post at their own risk. For more information as to the procedure for application, Qualifying Ordinary Shareholders are referred to in paragraph 4(i)(d) of this Part 3, and the Application Form.

The result of the Open Offer will be announced and made public through an announcement on a Regulatory Information Service as soon as reasonably practicable after the results are known.

9. TIMES AND DATES

The Company shall, in its discretion, and after consultation with its financial and legal advisers, be entitled to amend the dates on which Application Forms are despatched or amend or extend the latest date for acceptance

under the Open Offer and all related dates set out in this document and in such circumstances shall make an announcement on a Regulatory Information Service.

If a supplementary circular is published by the Company two or fewer business days prior to the latest time and date for acceptance and payment in full under the Open Offer specified in this document, the latest date for acceptance under the Open Offer shall be extended to the date that is at least three business days after the date of publication of the supplementary circular (and the dates and times of principal events due to take place following such date shall be extended accordingly).

10. GOVERNING LAW AND JURISDICTION

The terms and conditions of the Open Offer as set out in this document, the Application Form and any non-contractual obligation related thereto shall be governed by, and construed in accordance with, the laws of England and Wales. The courts of England and Wales are to have exclusive jurisdiction to settle any dispute which may arise out of or in connection with the Open Offer, this document or the Application Form including, without limitation, disputes relating to any non-contractual obligations arising out of or in connection with the Open Offer, this document or the Application Form. By taking up Open Offer Shares under the Open Offer in accordance with the instructions set out in this document and, where applicable, the Application Form, Qualifying Shareholders irrevocably submit to the jurisdiction of the courts of England and Wales and waive any objection to proceedings in any such court on the ground of venue or on the ground that proceedings have been brought in an inconvenient forum.

11. FURTHER INFORMATION

Your attention is drawn to the further information set out in this document and also to the terms, conditions and other information printed on any Application Form.

PART 4

ADDITIONAL INFORMATION

1. DIRECTORS' INTERESTS AND PARTICIPATION

Each Director's relevant interest in the Ordinary Shares of the Company at the date of this document and their Open Offer Entitlement is set out in the table below. Each of the Directors intend to take up their Open Offer Entitlement in full.

Director	Shares	Voting Rights (%)	Open Offer Entitlement	\$
Michael John Evans	18,541,667	0.39%	2,648,810	A\$47,658.58
George Henry Stephen Staley	10,141,667	0.22%	1,448,810	A\$26,078.58
David James Wall	32,291,666	0.69%	4,613,095	A\$83,035.71
Brent Villemarette	7,221,222	0.15%	1,031,603	A\$18,568.85

2. MARKET PRICE OF SHARES

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

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

	(\$)	Date
Highest	A\$0.024	6 July 2018
Lowest	A\$0.019	27 July 2018
Last	A\$0.02	2 October 2018

3. SHARE CAPITAL

The issued capital of the Company as at the time of this document and as it will be immediately following Admission of the Open Offer Shares, assuming full subscription, is set out below:

Ordinary Shares (issued and fully paid)	Number	Aggregate nominal value (GBP)	Aggregate nominal value (A\$)
As at the date of this document	5,571,189,646	55,711,896	100,281,414
Immediately following the admission of the Open Offer Shares ¹	6,367,073,881	63,670,739	114,607,330

(1) Assuming full subscription under the Open Offer

4. FULL-YEAR FINANCIAL INFORMATION

Qualifying Shareholders are directed to the Annual Report of the Company published on ASX and AIM on 26 March 2018 and available on the website of the Company.

5. MATERIAL CONTRACTS

N/A

6. AVAILABILITY OF DOCUMENTATION

Copies of this document will be available for inspection at the offices of Watson Farley & Williams LLP at 15 Appold Street, London, EC2A 2HB during normal business hours on any day (Saturdays, Sundays and public holidays excepted) for a period of one month from the date of publication.

This document will also be available for a period of 12 months from the date of this document on the Company's website free of charge in accordance with the requirements of Rule 26 of the AIM Rules, the ASX website (www.asx.com.au) or by contacting the Company or Computershare UK by phone on 0370 707 4040 or if you calling from outside the UK on +44 (0)370 707 4040 or Computershare Australia on 1300 850 505 (from within Australia) or +61 3 9415 4000 (from outside Australia).

7. CONTINUOUS DISCLOSURE OBLIGATIONS

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

Specifically, the Company is required to notify ASX of information about specific events and matters as they arise for the purposes of the ASX making that information available to the securities markets conducted by the ASX. In particular, the Company has an obligation under the ASX Listing Rules (subject to certain exceptions) to notify the ASX immediately of any information of which it is or becomes aware which a reasonable person would expect to have a material effect on the price or value of its securities.

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

All announcements made by the Company are available from its website www.88energy.com or the ASX www.asx.com.au.

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

8. CONSENTS

Computershare Australia, Computershare UK, Cenkos Securities plc, Watson Farley & Williams LLP and Steinepreis Paganin have given and, as at the date hereof, have not withdrawn, their written consent to be named in the form and context in which they are named in this document.

Computershare Australia and Computershare UK have had no involvement in the preparation of any part of this document other than being named as Share Registrar to the Company. Computershare Australia and Computershare UK have not authorised or caused the issue of, and expressly disclaims and takes no responsibility for, any part of this document.

SCHEDULE 1

Each Qualifying Shareholder applying for Open Offer Shares represents, warrants, covenants, agrees and acknowledges as set out in this Schedule 1:

1. the Company, its advisers and others will rely upon its representations, warranties, covenants, agreements and acknowledgements set forth herein, and it agrees to notify the Company and its advisers promptly in writing if any of its representations, warranties, covenants, agreements or acknowledgements ceases to be accurate and complete;
2. it has read and understood and accepted the terms and conditions of the Open Offer contained in this document and its application for Open Offer Shares shall be on and subject to the terms and conditions of this document and, if it is a Qualifying Ordinary Shareholder, the Application Form;
3. it agrees that all applications, and contracts resulting therefrom, under the Open Offer or in connection therewith shall be governed by, and construed in accordance with, the laws of England and Wales;
4. it is a Qualifying Shareholder originally entitled to the Entitlements, or if it has received some or all of its Entitlements from a person other than the Company, it is entitled to apply under the Open Offer in relation to such Entitlements by virtue of a bona fide market claim;
5. it may lawfully acquire the Open Offer Shares to be subscribed by it pursuant to the Open Offer (including the Excess Application Facility) and has the capacity and authority and is entitled to enter into and perform its obligations as a subscriber for Open Offer Shares and will honour such obligations;
6. it agrees that its obligations under this schedule shall not be capable of rescission or termination by it in any circumstance;
7. in agreeing to acquire the Open Offer Shares, it is relying on the information contained in this document and it is not relying on any other information given or representation, warranty, undertaking, agreement or statement made at any time by the Company, its advisers or any of their respective officers, directors, agents, employees or advisers, or any other person in relation to the Company or its subsidiary undertakings, the Open Offer or the Open Offer Shares to be issued pursuant to the Open Offer, and neither the Company, its advisers nor any other person will be liable for any Qualifying Shareholder's decision to participate in the Open Offer based on any other information, representation, warranty, undertaking, agreement or statement which Qualifying Shareholders may have obtained or received. In addition, it has neither received nor relied on any confidential price sensitive information. Nothing in this paragraph shall exclude the liability of any person for fraud;
8. it is entitled to acquire Open Offer Shares under the terms of the Open Offer and the laws of all relevant jurisdictions which apply to it (the "**Applicable Securities Laws**") and it has fully observed such laws and obtained all governmental and other consents which may be required thereunder and complied with all necessary formalities and it has not taken any action or omitted to take any action which will or may result in the Company, its advisers or any of their respective officers, directors, agents, employees or advisers acting in breach of any law or regulatory requirement of any territory or jurisdiction in connection with the Open Offer or its entitlement;
9. it is not, nor is it applying on behalf of any person who is, a citizen or resident, or which is a corporation, partnership or other entity created or organised in or under any laws, of any Restricted Jurisdiction or any jurisdiction in which the application for Open Offer Shares is or may be prevented by law (except where proof satisfactory to the Company has been provided to the Company that the Qualifying Shareholder is able to accept the invitation by the Company pursuant to an applicable exemption and free of any requirement which the

Company (in its absolute discretion) regards as unduly burdensome) and the Qualifying Shareholder is not applying with a view to re-offering, re-selling, transferring or delivering any of the Open Offer Shares which are the subject of his application to, or for the benefit of, a person who is a citizen or resident or which is a corporation, partnership or other entity created or organised in or under any laws of any Restricted Jurisdiction or any jurisdiction in which the application for Open Offer Shares is or may be prevented by law (except where proof satisfactory to the Company has been provided to the Company that the Qualifying Shareholder is able to accept the invitation by the Company pursuant to an applicable exemption and free of any requirement which the Company (in its absolute discretion) regards as unduly burdensome), nor acting on behalf of any such person on a non-discretionary basis nor such person otherwise prevented by legal or regulatory restrictions from applying for Open Offer Shares under the Open Offer;

10. it irrevocably appoints each director of the Company and its advisers as its agent for the purpose of executing and delivering to the Company and/or the Registrars any and all documents on its behalf necessary to enable it to be registered as the holder of Open Offer Shares;
11. it is not, and nor is it applying for Open Offer Shares as nominee or agent for, a person who is or may be liable to notify and account for stamp duty or stamp duty reserve tax at any of the increased rates referred to in sections 67 to 72 inclusive and sections 93 to 97A inclusive of the Finance Act 1986 (Depositary Receipts and Clearance Services) and, in the event of any breach of this warranty, it agrees that neither the Company nor its advisers will have any liability to it or other persons in respect of such duty or tax;
12. if it is acquiring any Open Offer Shares as a fiduciary or agent for one or more accounts, it has sole investment discretion with respect to each such account and full power and authority to make such foregoing representations, warranties, covenants, agreements and acknowledgements on behalf of each such account;
13. it is purchasing the Open Offer Shares for its own account or for one or more investment accounts for which it is acting as a fiduciary or agent (and the owners and beneficiaries of such investment accounts are not residents or citizens of a Restricted Jurisdiction), in each case for investment only, and not with a view to or for sale or other transfer in connection with any distribution of the Open Offer Shares in any manner that would violate the Securities Act, the Investment Company Act or any other applicable securities laws, or otherwise cause the Company's assets to become subject to ERISA, and it does not have a present arrangement to effect any distribution of the Open Offer Shares to or through any person or entity;
14. the Applicable Securities Laws do not require the Company to make any filings or seek any approvals of any kind whatsoever from any regulatory authority of any kind in connection with the Open Offer in the jurisdiction in which it is resident;
15. the purchase by it of Open Offer Shares does not trigger in the jurisdiction in which it is resident: (a) any obligation to prepare or file a prospectus or similar document or any other report with respect to such purchase; or (b) any disclosure reporting obligation of the Company; or (c) any registration or other obligation on the part of the Company; or (d) the requirement for the Company to take any other action;
16. it and any person acting on its behalf is aware of the obligations in connection with money laundering under the Money Laundering Regulations to the extent applicable to it and, if it is making payment on behalf of a third party, it has obtained and recorded satisfactory evidence to verify the identity of the third party as required by the Money Laundering Regulations;
17. it agrees to be bound by the terms of the Constitution and any other constituent documents in force immediately following Admission;
18. it will not deal or cause or permit any other person to deal in all or any of the Open Offer Shares unless and until Admission becomes effective;

19. it acknowledges that the Ordinary Shares are admitted to trading on AIM and ASX and the Company is therefore required to publish certain business and financial information in accordance with the rules of AIM and ASX (the “**Exchange Information**”), and that it is able to obtain or access the Exchange Information without undue difficulty;
20. neither the Company nor its advisers nor any person acting on their behalf nor any of their respective affiliates nor any of their respective directors, officers, employees, agents, partners or professional advisers has or shall have any liability for any direct, indirect or consequential loss or damage suffered by any person as a result of relying on any statement contained in the Exchange Information, any other information made available by or on behalf of the Company or made publicly available by the Company on its website, by press release, by public filing or otherwise or any other information, provided that nothing in this paragraph excludes the liability of any person for fraud made by that person;
21. the Company may be or may become a “passive foreign investment company” or “PFIC” within the meaning of Section 1297 of the US Internal Revenue Code of 1986, as amended (the “**US Internal Revenue Code**”) for US federal income tax purposes and it has consulted with its own independent tax adviser as to the US federal, state and local tax consequences of any investment in the Company;
22. it is not (i) an “employee benefit plan” (within the meaning of Section 3(3) of the US Employee Retirement Income Security Act of 1974, as amended (“**ERISA**”)) that is subject to Part 4 of Title 1 of ERISA, (ii) a plan, individual retirement account or other arrangement that is subject to section 4975 of the US Internal Revenue Code or any other state, local laws or regulations that would have the same effect as regulations promulgated under ERISA by the US Department of Labor and codified at 29 C.F.R. Section 2510.3-101 to cause the underlying assets of the Company to be treated as assets of that investing entity by virtue of its investment (or any beneficial interest) in the Company and thereby subject the Company (or other persons responsible for the investment and operation of the Company’s assets) to laws or regulations that are similar to the fiduciary responsibility or prohibited transaction provisions contained in Title I of ERISA or Section 4975 of the US Internal Revenue Code, or (iii) an entity whose underlying assets are considered to include “plan assets” of any such plan, account or arrangement;
23. it acknowledges that neither the Open Offer Shares nor the Entitlements have been nor will they be registered under the Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States, and such Open Offer Shares may not be offered, sold, subscribed or issued directly or indirectly in, into or within the United States or to US residents or to certain US citizens except pursuant to an exemption for, or in a transaction not subject to, the registration of the Securities Act, and agrees to comply with US securities laws relating thereto;
24. it acknowledges that the Company is relying on one or more exemptions from the registration requirements of the Securities Act and the Corporations Act and, as a consequence of acquiring the Open Offer Shares pursuant to such exemption(s), certain protections, rights and remedies provided by applicable securities laws will not be available to it, including an obligation on the Company to provide it with a prospectus or other disclosure document, and, save for this document, no offer document, admission document or prospectus has been, or is required to be, prepared in connection with the Open Offer;
25. save for this document, it has not received a prospectus, admission document or any other offering document in connection with the Open Offer, and no US federal or state agency or any other government or governmental agency has passed on or made any recommendation or endorsement of the Open Offer Shares or the fairness or suitability of the investment in the Open Offer Shares nor have such authorities passed upon or endorsed the merits of the offering of the Open Offer Shares;
26. it acknowledges that ownership of any Open Offer Shares does not provide their holder the right to require the registration of such shares with the US Securities and Exchange Commission;

27. it acknowledges that the Company is not obligated to file and has no intention of filing with the Securities and Exchange Commission or any state securities administrations any registration statement in respect of the resale of the Open Offer Shares in the United States;
28. it acknowledges that the Company has not registered and will not register as an investment company under the US Investment Company Act of 1940, as amended (“**Investment Company Act**”);
29. it has not, directly or indirectly, distributed, forwarded, transferred or otherwise transmitted this document (or any part thereof) to or within the United States, nor will it do any of the foregoing;
30. it is not acquiring any Open Offer Shares for resale in the United States and it has not and will not deliver or forward any advertisement or other offering material in relation to the Open Offer Shares in or into the United States;
31. it will indemnify and hold the Company, its advisers and their respective affiliates harmless from any and all costs, claims, liabilities and expenses (including legal fees and expenses) arising out of or in connection with any breach of the representations, warranties, agreements and covenants in this document. All representations, warranties, agreements and covenants given by it in this document are given to the Company and will survive completion of the Open Offer;
32. it is acquiring the Open Offer Shares in an offshore transaction meeting the requirements of Regulation S under the Securities Act;
33. at the time it received the offer to purchase the Open Offer Shares it was not in the United States;
34. it (i) understands and acknowledges that the offering and sale of the Open Offer Shares are not being, and will not be, made, directly or indirectly, in or into, or by the use of the mails or any means or instrumentality (including, without limitation, telephonically or electronically) of interstate or foreign commerce of, or any facilities of a national securities exchange of, the United States; and (ii) acknowledges that no Application Form, where appropriate, will be accepted by any such use, means, instrumentality or facility or from within the United States, and doing so may render such Application Form invalid;
35. its receipt and execution of the Application Form each occurred outside the United States; and
36. it is not acquiring the Open Offer Shares as a result of or due to, and agrees not to engage in, any “directed selling efforts” (as defined in Regulation S under the Securities Act) in the United States in respect of the Open Offer Shares, which would include any activities undertaken for the purpose of, or that could reasonably be expected to have the effect of, conditioning the market in the United States for the resale of the Open Offer Shares, including placing an advertisement in a publication with a general circulation in the United States, nor has it seen or been aware of any activity that, to its knowledge, constitutes directed selling efforts in the United States.