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23 July 2020

The Manager
Market Announcements Platform
Australian Securities Exchange
Exchange Centre
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SYDNEY NSW 2000

Placement and Non-Renounceable Rights Issue

BPH Energy Limited ACN 095 912 002 (**ASX: BPH**) (the **Company**) is pleased to announce that it has completed a placement and that it intends to undertake a non-renounceable rights issue.

The placement consists of 29,987,500 fully paid ordinary shares (**Shares**) at an issue price of $0.015 (1.5 cents) per Share together with one (1) free attaching option for every two (2) Shares subscribed for and issued (**Options**) to sophisticated and professional investors under the Company's current placement capacity to raise $449,813 (**Placement**).

The Placement is being managed by Sixty-Two Capital Pty Ltd.

Following the issue of the Shares under the Placement, the Company will undertake a non-renounceable rights issue of two (2) Shares for every five (5) Shares held by shareholders at an issue price of $0.015 (1.5 cents) per Share to raise up to $2,419,346 together with one (1) free attaching Option for every two (2) Shares subscribed for and issued (**Rights Issue**).

The Shares issued under the Placement will have a holding lock placed on them pending completion and lodgement of the disclosure document for the Rights Issue. The free attaching Options under the Placement will be granted subject to the receipt of shareholder approval at a meeting to be convened as soon as possible.

Investors who participated in the Placement will be eligible to participate in the Rights Issue.

Mr David Breeze, Managing Director, said: "the Company is pleased to receive funding from a range of investors including existing shareholders and others who participated in the Placement through Sixty-Two Capital".

PEP11 gas project – Use of funds, NOPTA update and planning

Well Planning

The proceeds of the Placement and Rights Issue will be used by BPH primarily to invest in Advent Energy Limited (**Advent**) in order to increase BPH's shareholding from 23% to 36% (subject to any required approvals or via an underwriting of an offer by BPH). The funds proposed to be invested by BPH will be used by Advent to progress well planning, engineering and environmental

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approvals for drilling at the Baleen drill target in the PEP11 offshore permit in NSW. It is planned that approximately $2 million of the capital raised will be used for this purpose.

As previously announced, Advent has submitted to the National Offshore Petroleum Titles Administrator (**NOPTA**) an application to enable the drilling of the Baleen drill target in the PEP11 permit. Advent, through wholly owned subsidiary Asset Energy Pty Ltd, holds an 85% interest and is operator of the PEP11 permit. Bounty Oil and Gas NL (ASX: BUY) holds the remaining 15% (**JV**).

As announced previously, the JV had made an application to NOPTA to change the current PEP11 permit conditions in order for it to proceed with the drilling. The Company is pleased to advise that NOPTA has confirmed that this application is in the final decision phase and expects to have a final decision shortly.

Drilling Rigs

The JV is also currently evaluating rig availability for the drilling of the Baleen drill target.

Key information about the Rights Issue

1. The Rights Issue is non-renounceable which means that the entitlement to Shares under the Rights Issue will not be tradeable on ASX or otherwise transferable.

2. The Rights Issue is being conducted under section 713 of the *Corporations Act 2001* (Cth) as a transaction specific prospectus for an offer of continuously quoted securities. Eligible Shareholders will be sent a disclosure document relating to the Rights Issue (**Offer Document**) and a personalised entitlement and acceptance form.

3. An application for Shares under the Rights Issue may only be made by completing the entitlement and acceptance form which accompanies the Offer Document. Shareholders eligible to participate in the Rights Issue should read the Offer Document carefully and consult professional advisers as necessary.

4. A top-up facility will be available allowing eligible shareholders to apply for additional Shares over and above their entitlements (additional Shares will be allotted to the extent there is a shortfall under the Rights Issue).

5. The proceeds of the Rights Issue will be used primarily for the progression of investment in Advent and well planning for drilling in the PEP11 permit. The Directors reserve the right to vary the proposed use of funds to maximise the benefit to shareholders.

6. Shares issued under the Rights Issue will rank equally with existing Shares on issue on the record date. The Company will make application for official quotation of the Shares and Options proposed to be issued under the Rights Issue.

7. Shareholders who do not take up all or any part of their entitlement will not receive any payment or value in respect of the entitlement not taken up and their equity interest in the Company will be diluted.

8. The Rights Issue is not underwritten.

Capital Structure

As at the date of this announcement, the Company has 373,236,818 Shares on issue. A further 29,987,500 shares will be issued in the Placement.

The maximum number of Shares to be issued under the Rights Issue is approximately 161,289,727.

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At the conclusion of the Rights Issue, the total number of issued Shares in the Company will be up to a maximum of 564,514,045.

Offer Document

The Company is in the process of completing the Offer Document and this will be lodged with ASX shortly. At that time, the Company will confirm the timetable for the Rights Issue, including the relevant record date. As previously announced on 18th June the company is continuing to evaluate new opportunities as part of its ordinary business.

David Breeze (Director) authorised the release of this announcement to the market.

Yours sincerely,

David Breeze
Executive Director

Enquiries
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