

Extension of Offer Period

MELBOURNE, 5 DECEMBER 2019

Melbana Energy Limited ACN 066 447 952 (**Melbana Energy**) refers to the off-market takeover bid made by Melbana Energy (**Offer**) for all of the ordinary shares in Metgasco Limited (**Metgasco**).

Extension of Offer Period

In accordance with section 650D of the Corporations Act, the Offer Period (as defined in the Bidder's Statement) has been extended so that the Offer Period will end at 7.00pm (Sydney time) on 15 January 2020 (unless further extended).

The date for giving notice of the status of the conditions to which the Offer is subject is 7 January 2020.

Melbana Energy reserves the right to further extend the Offer Period in accordance with sections 650C and 650D of the Corporations Act.

Status of conditions

The independent board committee established by the Melbana Energy Board (**IBC**), comprised of Michael Sandy and Peter Stickland, has considered the impact on the Offer of the transactions announced by Metgasco on 15 and 22 November 2019, being:

- the execution of a binding farm-in agreement into the North Perth Basin L14 Licence area with RCMA Australia Pty Ltd and Vintage Energy Ltd; and
- the execution of a term sheet with a 90 day exclusivity period to negotiate a binding farm-in agreement with a subsidiary of Senex Energy Ltd for PRL 211 on the South Australian side of the Cooper//Eromanga basins,

(Relevant Transactions).

The IBC has resolved to waive the breaches of the Offer conditions arising out of or as a consequence of the Relevant Transactions (**Relevant Breaches**) such that it will not rely on the Relevant Breaches for the purposes of voiding any acceptances under the Offer.

None of the Conditions of the Offer, other than the condition to the Offer set out in paragraph 9.8.2 of the Bidder's Statement, requiring Melbana Energy shareholder approval for the purposes of Listing Rule 10.1 to approve the acquisition of the Metgasco Limited shares held by M&A Advisory and the issue of Melbana Energy shares to M&A Advisory under the takeover bid, have been fulfilled or waived as at the date of this announcement, other than the waivers advised above or to ASX by Melbana Energy in respect of previous breaches of the Conditions by Metgasco.

The Offer remains subject to a Condition that Melbana Energy acquires a relevant interest in at least 50.1% of the Metgasco Shares. As at the date of this announcement, Melbana Energy has a relevant interest in Metgasco Shares of 20.75%.

Any acceptance of the Offer, and any contract resulting from such acceptance, will be automatically void if at the end of the Offer Period any of the Conditions have not been fulfilled or waived.

Withdrawal rights

Words defined in the ASX Settlement Operating Rules have the same meaning in this section of the notice, unless the context requires otherwise.

In accordance with section 650E of the Corporations Act, those Metgasco shareholders who have validly accepted the Offer on or before the date of this notice have the right to withdraw their acceptance by giving notice to Melbana Energy (**Withdrawal Notice**) within 1 month beginning on the day after the day on which they received this notice (**Withdrawal Period**).

Metgasco shareholders who withdraw their acceptance must, if applicable, return any consideration received for accepting the Offer.

A Withdrawal Notice must:

- (a) if the shares are in a CHESS Holding:
 - (i) be in the form of a Valid Originating Message transmitted to ASX Settlement by the Controlling Participant for that CHESS Holding in accordance with Rule 14.16.1 of the ASX Settlement Operating Rules; or
 - (ii) be in the form of a notice in writing to Melbana Energy setting out the information that Melbana Energy requires to transmit a Valid Originating Message to ASX Settlement on behalf of Metgasco shareholder in accordance with Rule 14.16.5 of the ASX Settlement Operating Rules; and
- (b) in any other case, be in writing to Melbana Energy care of Link Market Services Limited at:
Link Market Services Limited
Tower 4, 727 Collins Street
Docklands, Victoria 3008

If a Metgasco shareholder is legally entitled to give, and does in fact give, a Withdrawal Notice within the Withdrawal Period, Melbana Energy will, within 14 days after the day it receives the Withdrawal Notice:

- (a) return to the Metgasco shareholder any documents that were sent by the Metgasco shareholder to Melbana Energy with the acceptance of the Offer; and
- (b) if the shares are in a CHESS Holding, Transmit to ASX Settlement a Valid Message that authorises the release of those shares from the Offer Accepted Subposition in which the CHESS Holding has been reserved in accordance with Rule 14.16.3 or Rule 14.16.6 of the ASX Settlement Operating Rules as applicable.

Lodgement and approval

A copy of this notice was lodged with ASIC on 5 December 2019. ASIC does not take any responsibility for the contents of this notice.

This notice has been approved by a resolution of the independent directors of Melbana Energy.



Michael Sandy
Director



Peter Stickland
Director