

25 June 2020

88 ENERGY – EXTENSION OF OFFER PERIOD UNDER XCD ENERGY TAKEOVER OFFERS

- **88 Energy extends Offer Period under XCD Energy Takeover Offers to now close at 7.00pm (Sydney time) on 13 July 2020 (unless further extended)**
- **88 Energy has a relevant interest in 79.84% of XCD Energy's shares and 79.22% of XCD Energy's listed options**
- **XCD Energy Board continues to unanimously recommend acceptance of the takeover offers in the absence of a superior proposal and subject to the Independent Expert continuing to conclude that the Offers are reasonable**
- **88 Energy nominee directors join the XCD Energy Board following XCD Energy Board restructure**

88 Energy Limited (ASX: 88E; AIM: 88E) ("**88 Energy**") is pleased to advise that it has varied the Offer Period (as defined in the Bidder's Statement) for its recommended off-market takeover offers ("**Offers**") for all of the ordinary shares and listed options in XCD Energy Limited (ASX: XCD) ("**XCD Energy**") by extending the Offer Period so that the Offer Period now ends at 7.00pm (Sydney time) on 13 July 2020 (unless further extended or withdrawn).

As at 7pm (Sydney time) on 24 June 2020, 88 Energy had a relevant interest in 79.84% of XCD Energy's shares and 79.22% of XCD Energy's listed options.

Notices in accordance with section 650D(1) of the Corporations Act 2001 (Cth) ("**Corporations Act**") were provided to XCD Energy, today and are attached to this announcement as Annexure A.

HOW TO ACCEPT THE OFFERS

88 Energy urges all XCD Energy shareholders and listed optionholders who have not yet accepted the Offers made to them to **ACCEPT WITHOUT DELAY** and take advantage of the accelerated payment terms to become an 88 Energy shareholder.

The Offers are now scheduled to close on **7.00pm (Sydney time) on 13 July 2020**.

Acceptance forms have been provided to XCD Energy listed securityholders. Securityholders who hold their XCD Energy shares and/or listed options through CHESS can instruct their broker to accept the Offers on their behalf.

If you have any queries in relation to how to accept the Offers or any other matter pertaining to the Offers, please do not hesitate to contact the 88 Energy Offer Information Line on 1300 095 745 (within Australia) or +61 3 9415 4300 (from outside Australia).

ACCELERATED PAYMENT TERMS

As previously announced, 88 Energy confirms that any XCD Energy shareholders and listed option holders who are yet to validly accept the Offers made to them will be issued with their 88 Energy shares within 7 business days of their acceptance being processed.

BEST AND FINAL OFFERS

88 Energy notes its Offers of:

- 2.4 new 88 Energy shares for every 1 of your XCD Energy shares; and
- 0.7 new 88 Energy shares for every 1 of your XCD Energy listed options,

are 88 Energy's **BEST AND FINAL OFFERS** which will not be increased.

MINORITY SHAREHOLDERS IN XCD ENERGY

If 88 Energy acquires a relevant interest in XCD Energy of 90% or more, 88 Energy intends to proceed with compulsory acquisition of any outstanding XCD Energy shares and listed options under Part 6A of the Corporations Act. If this occurs, XCD Energy security holders who have their XCD Energy shares and listed options acquired compulsorily will **NOT** be eligible for accelerated payment terms.

The Board of 88 Energy advises that, if remaining XCD Energy shareholders and listed options do not accept the Offers, and 88 Energy does not reach compulsory acquisition thresholds (which include a 90% relevant interest in XCD Energy) by the closing date of the Offers, they will remain a minority shareholder in XCD Energy with reduced influence in the running of the business. Should this occur, decisions made in respect of XCD Energy's business, under the control of 88 Energy, may impact XCD Energy shareholders and listed option holders who do not accept the Offers.

Further, 88 Energy's controlling position may affect the liquidity of the minority holders of securities in XCD Energy. This may increase the difficulty for minority securityholders to sell their XCD Energy shares or listed options at an attractive price. 88 Energy has indicated that it intends to have XCD Energy removed from the ASX, which would considerably decrease the liquidity for remaining XCD Energy shareholders and listed option holders.

CHANGES TO XCD ENERGY BOARD

As announced by XCD Energy on 22 June 2020, pursuant to the terms of the Bid Implementation Agreement, the Board of XCD Energy has been restructured and now comprises a majority of directors nominated by 88 Energy.

This announcement has been authorised by the Board of 88 Energy.

-ENDS-

For further information, please contact:

88 Energy Limited

Dave Wall
Managing Director
88 Energy Ltd

Longreach Capital (Adviser to the Transaction)
Darren Martin
Tel: +61 412 144 719

Media and Investor Relations:

88 Energy Ltd
Dave Wall, Managing Director

Tel: +61 8 9485 0990
Email: admin@88energy.com

Finlay Thomson,
Investor Relations

Tel: +44 7976 248471

Cenkos Securities
Neil McDonald/Derrick Lee

Tel: + 44 131 220 6939

ANNEXURE A**NOTICE OF VARIATION EXTENDING OFFER PURSUANT TO SECTION 650D OF THE CORPORATIONS ACT 2001 (CTH)**

- To:
1. XCD Energy Limited (ACN 108 403 425) (**XCD Energy**).
 2. Australian Securities & Investments Commission (**ASIC**).
 3. ASX Limited (ACN 008 624 691) (**ASX**).
 4. In accordance with ASIC Class Order [13/521]:
 - (a) to those persons shown as holders of XCD Energy Shares and XCD Energy Listed Options in the registers of members and optionholders of XCD Energy as at 5:00pm on Friday, 19 June 2020; and
 - (b) to each person to whom an offer was made pursuant to the Bidder's Statement (defined below) by 88 Energy Limited (ACN 072 964 179) (**88 Energy**),

who has not yet accepted an offer.

This is a notice issued by 88 Energy in relation to the offers dated 25 May 2020 made under its off-market takeover bid to acquire all the ordinary shares and listed options (**Offers**) in XCD Energy Limited (ACN 108 403 425) (**XCD Energy**) pursuant to its replacement bidder's statement dated 21 May 2020 (**Bidder's Statement**).

As announced on 18 June 2020, the Offers have been freed of all defeating conditions and are wholly unconditional.

Words defined in the Bidder's Statement have the same meaning in this notice, unless the context requires otherwise.

EXTENSION OF OFFER PERIOD

As permitted by section 650C of the Corporations Act 2001 (Cth) (Corporations Act), and in accordance with section 650D of the Corporations Act, by this notice 88 Energy varies the Offers by:

- (a) extending the period during which the Offers remain open for acceptance from 5pm (Perth time) on 25 June 2020 to **5pm (Perth time) on 13 July 2020** (unless further extended or withdrawn); and
- (b) substituting the date "25 June 2020" for "13 July 2020" in the Bidder's Statement, the Acceptance Form and in all other instances where "13 July 2020" appears (or is deemed to appear) as the last day of the Offer Period.

AUTHORISATION

This notice is dated 24 June 2020, being the date on which it was lodged with ASIC. Neither ASIC, ASX nor any of their respective officers takes any responsibility for the contents of this notice.

This notice has been approved by a unanimous resolution passed by the Directors of 88 Energy Limited under section 650D(3A) of the Corporations Act, as modified by ASIC Class Order [CO 13/521].