



20 November 2015

Oversubscribed Placement to Raise \$3 Million

88 Energy Limited ("88 Energy" or "the Company", ASX:88E, AIM 88E) is pleased to advise that it has successfully completed the bookbuild for a placement to domestic and international sophisticated investors to raise up to \$3 million through the issue of up to 300 million shares at 1 cent per share ("Placement"). The Placement was strongly oversubscribed.

In addition to the Placement, the Board of 88 Energy has also resolved to offer eligible shareholders the opportunity to participate in a Share Purchase Plan ("SPP") to raise up to \$2 million, however the company reserves the right to raise over (see Share Purchase Plan Details below).

Funds raised pursuant to the Placement will be applied to a deposit for new acres on the North Slope, Alaska (see ASX announcement 19 November 2015), for potential payments in respect of Icewine Project seismic acquisition, for ongoing exploration of Project Icewine and for working capital purposes.

Commenting on the success of the Placement, 88 Energy Managing Director Dave Wall stated

"The acquisition of the additional acreage was considered strategically important ahead of the results of Icewine#1 as we feel that we have a competitive advantage in identifying where the play may work. The low oil price also meant that competition was scarce, resulting in an opportunity to create maximum leverage for our shareholders."

"Overwhelming support was shown by new and existing shareholders for the Placement and our strategy at this exciting time for the Company."

88 Energy remains well placed ahead of the completion and evaluation of the Icewine#1 well, which may shortly reveal huge unconventional resource potential at Project Icewine."

Any success at Icewine#1 will result in substantial industry interest, which we hope will lead to a highly accretive farmout in 2016."

Hartleys Limited acted as Sole Lead Manager to the Offer. Patersons Securities Limited and APP Securities Pty Ltd acted as Co-Managers to the Offer.

Settlement of the Placement for up to 300 million shares is scheduled for Friday 27 November 2015 and is not subject to shareholder approval. The Placement will fall within the Company's 15% placement capacity pursuant to ASX Listing Rule 7.1.

Share Purchase Plan Details

In order to provide all eligible Shareholders of the Company with the ability to participate in this capital raising, the Company is undertaking a Share Purchase Plan ("SPP"). Under the SPP, the Company is giving Eligible Shareholders and DI Holders the opportunity to purchase up to \$15,000 worth of fully paid ordinary shares in the Company.

Given the Company expects the SPP to be well supported shares under the SPP will be allocated on a first come first served basis.

The offer under the SPP is intended to raise up to \$2,000,000, however the Company reserves the right to raise a maximum of €4,999,999 under both the SPP and the Placement (Maximum Amount).

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The SPP entitles Eligible Shareholders or DI Holders, irrespective of the size of their shareholding, to purchase up to \$15,000 worth of Shares priced at a price of \$0.01 per share (subject to obtaining an ASX waiver) (Waiver) (see Waiver below), or \$0.011 per share if the Waiver is not granted. The Company hopes to receive a decision on the Waiver within 10 days and will announce the Waiver decision as soon as possible.

Waiver

ASX Listing Rule 7.2 (Exception 15) states that the issue price of shares offered under a share purchase plan must be at least 80% of the VWAP for shares in that class, calculated over the last 5 trading days on which sales were recorded, either before the day on which the issue was announced or before the day on which the issue was made. The Company's intended issue price of \$0.01 equates to 78% of the 5 day VWAP of the Company's shares. The Company is seeking the Waiver to allow the Plan issue price to be \$0.01, being the same as Shares issued under the Placement. The Waiver is being sought by the Company in order to encourage participation in the Plan by the Company's existing shareholders and to ensure that they are treated on the same basis as the persons who participated in the Placement. The Company hopes to receive a decision on the Waiver within 10 days and will announce the Waiver decision as soon as possible.

Yours faithfully

Dave Wall
Managing Director
88 Energy Ltd



Project Icewine Highlights

In November 2014, the Company entered into a binding agreement with Burgundy Xploration (**BEX**) to acquire a significant working interest (87.5%, reducing to 78% on spud of the first well on the project) in a large acreage position on a multiple objective, liquids rich exploration opportunity onshore Alaska, North America, referred to as Project Icewine. In November 2015, the acreage position was expanded by 174,240 acres.

88 Energy has a 272,422 gross contiguous acre position with 212,489 acres net to the Company, located on an on 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.

The unconventional oil play will be tested by the recently spud Icewine #1 exploration well, scheduled to be completed in November 2015.

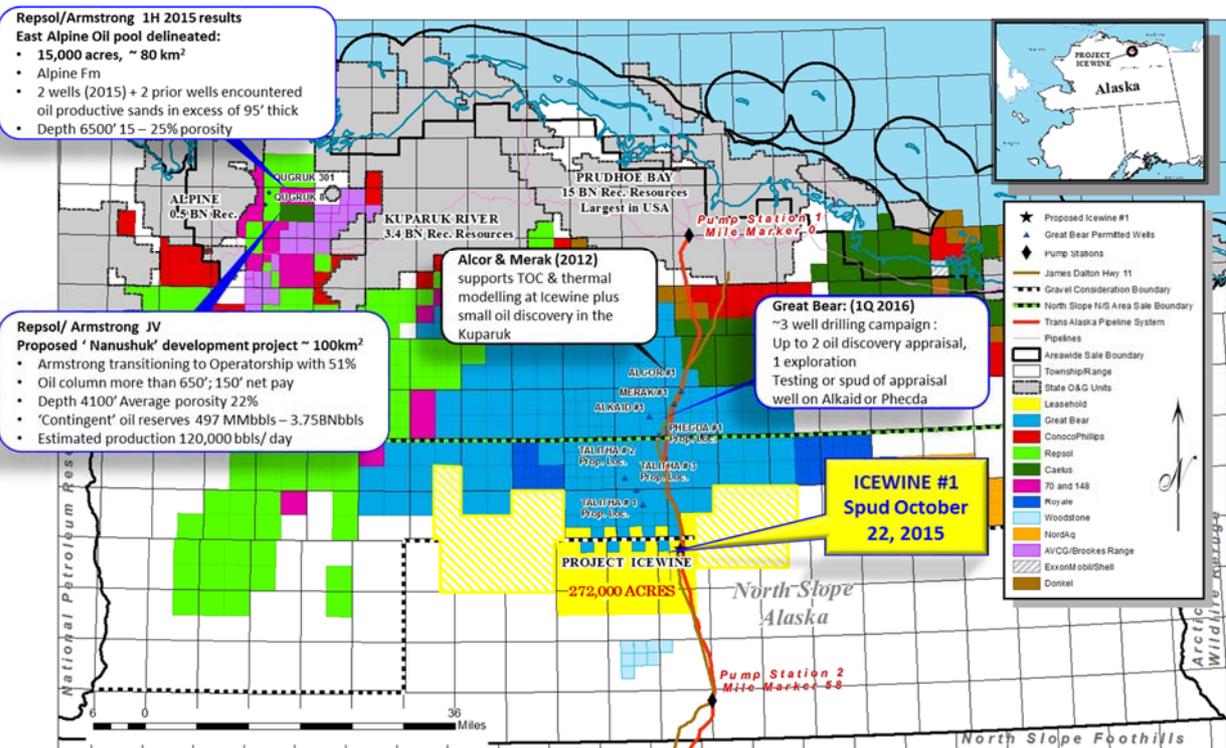


Figure 1: Project Icewine Location

Generous exploration incentives are provided by the State of Alaska with up to 85% of exploration expenditure in 2015 cash refundable, dropping to 75% mid 2016 and thereafter 35%.

The primary objective is an untested, unconventional liquids-rich shale play in a prolific source rock, the HRZ shale, (Brookian Sequence), that co-sourced the largest oil field in North America; the giant Prudhoe Bay Oil Field Complex. Internal modelling and analysis indicates that Project Icewine is located in a high liquids vapour phase sweetspot analogous to those encountered in other Tier 1 shale plays e.g. the Eagle Ford, Texas.

Conventional play potential can be found at Project Icewine within the same Brookian petroleum system and shallow to the HRZ shale and includes high porosity channel and deep water turbiditic



sands. The Brookian conventional play is proven on the North Slope; the USGS (2013) estimate the remaining oil potential to be 2.1 billion barrels just within the Brookian sequence. Additional conventional potential exists in the deeper Kuparuk sands and the Ivashuk Formation.

Drilling, (2012), in the adjacent acreage to the north confirmed that the HRZ shales, along with the underlying Kingak & Shublik shales, were all within the oil window which is extremely encouraging for the unconventional potential at Project Icewine. In addition, a conventional oil discovery was reported in the Kuparuk sandstones.

A Prospective Resources Report by DeGolyer and MacNaughton, was commissioned by 88 Energy to evaluate the unconventional resource potential of Project Icewine in early December 2014 and was released to the market on 19 January 2015.

About 88 Energy: 88 Energy has a 78% working interest and operatorship in 272,000 acres onshore the prolific North Slope of Alaska ("Project Icewine"). The North Slope is the host for the 15 billion barrel Prudhoe Bay oilfield complex, the largest conventional oil pool in North America. The Company, with its Joint Venture partner Burgundy Xploration, has identified two highly prospective play types that are likely to exist on the Project Icewine acreage – one conventional and one unconventional. The large resource potential of Project Icewine was independently verified by leading international petroleum resource consultant DeGolyer and MacNaughton. In addition to the interpreted high prospectivity, the project is strategically located on a year-round operational access road and only 35 miles south of Pump Station 1 where Prudhoe Bay feeds into the TransAlaska Pipeline System. The Company plans to progress drilling and seismic acquisition in the near term to take advantage of the globally unique fiscal system in Alaska, which allows for up to 85% of CY2015 exploration expenditure to be rebated in cash.

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