

9 July 2020

## XCD ENERGY TAKEOVER UPDATE – COMPULSORY ACQUISITION

- **88 Energy to compulsorily acquire remaining shares and listed options in XCD Energy Ltd**
- **Takeover offers will close at 7.00pm (Sydney time) on 13 July 2020**
- **XCD Energy shareholders and listed optionholders who accept the takeover offer before it closes will receive their consideration within 7 business days**

88 Energy Limited (ASX: 88E; AIM: 88E) ("**88 Energy**") is pleased to advise that that as at 7.00pm (Sydney time) on 8 July 2020, 88 Energy had acquired 90.97% of the shares in XCD Energy Limited (**XCD Energy**) and 93.31% of XCD Energy's listed options. 88 Energy will now proceed to acquire the remaining XCD Energy shares and listed options under the compulsory acquisition provisions of the Corporations Act 2001 (Cth) (**Corporations Act**).

The compulsory acquisition will be on the same terms as 88 Energy's off-market takeover offers for XCD Energy shares and listed options (**Offers**), being:

- 2.4 new 88 Energy shares for every 1 XCD Energy share; and
- 0.7 new 88 Energy shares for every 1 XCD Energy listed option.

Attached to this announcement is:

- a copy of ASIC Form 6021 – Notice of compulsory acquisition following takeover bid in respect of XCD Energy shares (**Share Notice**);
- a copy of ASIC Form 6021 – Notice of compulsory acquisition following takeover bid in respect of XCD Energy listed options (**Listed Option Notice**); and
- the accompanying letter to be sent to the remaining XCD Energy securityholders attaching the Share Notice and Listed Option Notice (together, the **Notices**).

The Notices set out the compulsory acquisition procedure and the remaining XCD Energy security holders' rights. The Notices have today been lodged with ASIC and will be dispatched to XCD Energy securityholders.

### ACCEPTING THE OFFERS

XCD Energy shareholders and listed optionholders who have not yet accepted the Offers may still do so before **7.00pm (Sydney time) on Monday, 13 July 2020** to receive their consideration within 7 business days of their acceptance being processed. Otherwise, their XCD Energy shares and listed options will be compulsorily acquired.

Those that wish to benefit from the 7 day accelerated payment terms should accept into the Offers immediately or risk a delay of up to approximately 50 days to receive the consideration shares under the compulsory acquisition timetable.

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 or the compulsory acquisition process, 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).

#### TRADING IN XCD ENERGY SECURITIES

XCD Energy listed security holders should also be aware that they may not be able to sell their XCD Energy shares or listed options on-market from 16 July 2020, which is when trading in XCD Energy shares and listed options on ASX is likely to be suspended.

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:*

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Dave Wall, Managing Director

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Neil McDonald/Derrick Lee

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9 July 2020

Dear XCD Energy Securityholder

## COMPULSORY ACQUISITION NOTICE

We refer to the off-market takeover offers by 88 Energy Limited (ACN 072 964 179) (**88 Energy**) for all of the fully paid ordinary shares and listed options in XCD Energy Limited (ACN 108 403 425) (**XCD Energy**), the terms of which were set out in 88 Energy's replacement bidder's statement dated 21 May 2020 (**Offers**).

As you may be aware, 88 Energy has a relevant interest in more than 90% of the shares and listed options on issue in XCD Energy and has acquired more than 75% of the shares and listed options that it offered to acquire under the Offers.

Accordingly, 88 Energy will now proceed to exercise its right to acquire the remaining XCD Energy shares and listed options under the compulsory acquisition provisions of the Corporations Act 2001 (Cth) (**Corporations Act**).

The compulsory acquisition will be on the same terms as 88 Energy's Offers, being:

- 2.4 new 88 Energy shares for every 1 XCD Energy share; and
- 0.7 new 88 Energy shares for every 1 XCD Energy listed option.

**If you have accepted 88 Energy's Takeover Offers, you can disregard this letter.**

XCD Energy shareholders and listed optionholders who have not yet accepted the Offers may still do so before **7.00pm (Sydney time) on Monday, 13 July 2020** to receive their consideration within 7 business days of their acceptance being processed. Otherwise, your XCD Energy shares and listed options will be compulsorily acquired.

On completion of the compulsory acquisition process, 88 Energy will issue to XCD Energy the consideration for the XCD Energy shares and listed options that it compulsorily acquires. XCD Energy and listed optionholders whose shares and listed options are compulsorily acquired will be sent a claim form by XCD Energy advising them how to claim their bid consideration.

XCD Energy listed security holders should also be aware that they may not be able to sell their XCD Energy shares or listed options on-market from 16 July 2020, which is when trading in XCD Energy shares and listed options on ASX is likely to be suspended.

Enclosed are the relevant ASIC Forms 6021 (Notice of compulsory acquisition following takeover bid) which set out details of the compulsory acquisition procedure and your rights.

If you have any queries in relation to the compulsory acquisition of your XCD Energy listed securities, 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).

Yours sincerely

A blue ink signature of David Wall, consisting of a stylized 'D' and 'W' followed by a horizontal line.

David Wall  
Managing Director

# Notice of compulsory acquisition following takeover bid

## Notice

Description of class of securities to which the bid relates

Fully Paid Ordinary Shares

('Bid Class Securities')

Name of target company or body

**in**  
Name ('the Company')

XCD Energy Limited

ACN/ARBN/ARSN

108 403 425

Tick applicable box(es)

- and each holder of securities that will or may be converted into, or confer rights to be issued, in the next 6 weeks, securities to which the bid related.
- and each holder of non-transferable securities issued under an employee incentive scheme referred to in paragraph 2.

Name of bidder

1. Under a takeover bid offers were made by  
88 Energy Limited (ACN 072 964 179)

in respect of the acquisition of Bid Class Securities in the company.

The offers

Tick one box

- closed
- are scheduled to close

Date offers closed or are scheduled to close

on

Date

1 3 / 0 7 / 2 0  
[D] [D] [M] [M] [Y] [Y]

Tick applicable box(es).  
(See subsection 661A(4) and (4A))

2. You are, as at the date of this notice, the holder of one or more of the following

- securities in respect of which the takeover offer was made, but have not accepted the offer. (If you have accepted the offer but have received this notice you do not need to do anything in response to this notice—the bidder will acquire your securities under the offer.)
- securities to which the bid related issued after the end of the offer period and before the date of this notice
- securities that will or may be converted into, or confer rights to be issued, in the next 6 weeks, securities to which the bid related
- securities issued under an employee incentive scheme to which restrictions on transfer apply under the company's constitution or the terms of issue, being

Description of securities

Description of securities

3. The bidder gives you notice under subsection 661B(1) of the Corporations Act 2001 ('the Act') that the bidder has become entitled pursuant to subsection

Tick one box

- 661A(1)
- 661A(3)

of the Act to compulsorily acquire your securities and desires to acquire those securities.

For personal use only

Continued... Notice

- 4 Under section 661D of the Act, you have the right, by notice in writing given to the bidder within one month after this notice is lodged with ASIC, to ask the bidder for a written statement of the names and addresses of everyone else the bidder has given this notice to.

This notice was lodged with ASIC on

Date

0	9	/	0	7	/	2	0
[D	D]		[M	M]		[Y	Y]

Date of lodgement

Insert paragraph 4A only where alternative forms of consideration were offered under the bid.

- 4A. You are entitled, within one month after being given this notice (see paragraph 8), or within 14 days after being given a statement requested under section 661D of the Act (as referred to in paragraph 4 of this notice), whichever is the later, by notice in writing to the bidder, to elect which of the following forms of consideration will apply to the acquisition of your securities:

Details of alternative terms.


If you do not elect which of the alternative forms of consideration will apply to the acquisition of your securities, the form of consideration that will apply will be:

Set out the terms that will apply


- 5. Under section 661E of the Act, you have the right, within one month after being given this notice (see paragraph 8) or within 14 days after being given a statement requested under section 661D of the Act (as referred to in paragraph 4 of this notice), whichever is later, to apply to the Court for an order that the securities not be compulsorily acquired.

- 6. The bidder is entitled and bound to acquire the securities on the terms that applied under the takeover bid immediately before

Tick one box

this notice was given.  
 the end of the offer period.

- 7. Unless the Court otherwise orders, on application made by you under section 661E of the Act within one month after being given this notice (see paragraph 8) or within 14 days after being given a statement under section 661D (as referred to in paragraph 4 of this notice), whichever is the later, the bidder must comply with paragraph 6 of this notice.
- 8. A notice sent by post to you is taken to be given to you 3 days after it is posted.

Signature

Name of person signing

David Wall

Capacity

Director of the Company

Signature

Date signed

0	9	/	0	7	/	2	0
[D	D]		[M	M]		[Y	Y]

For personal use only

# Notice of compulsory acquisition following takeover bid

## Notice

Description of class of securities to which the bid relates

## To each holder of:

Listed Options exercisable at exercisable at \$0.02 each on or before 30 November 2022

('Bid Class Securities')

## in

Name of target company or body

Name ('the Company')

XCD Energy Limited

ACN/ARBN/ARSN

108 403 425

Tick applicable box(es)

and each holder of securities that will or may be converted into, or confer rights to be issued, in the next 6 weeks, securities to which the bid related.

and each holder of non-transferable securities issued under an employee incentive scheme referred to in paragraph 2.

Name of bidder

### 1. Under a takeover bid offers were made by

88 Energy Limited (ACN 072 946 179)

in respect of the acquisition of Bid Class Securities in the company.

The offers

Tick one box

closed

are scheduled to close

Date offers closed or are scheduled to close

on

Date

1 3 / 0 7 / 2 0  
[D] [D] [M] [M] [Y] [Y]

Tick applicable box(es).  
(See subsection 661A(4) and (4A))

### 2. You are, as at the date of this notice, the holder of one or more of the following

securities in respect of which the takeover offer was made, but have not accepted the offer. (If you have accepted the offer but have received this notice you do not need to do anything in response to this notice—the bidder will acquire your securities under the offer.)

securities to which the bid related issued after the end of the offer period and before the date of this notice

securities that will or may be converted into, or confer rights to be issued, in the next 6 weeks, securities to which the bid related

securities issued under an employee incentive scheme to which restrictions on transfer apply under the company's constitution or the terms of issue, being

Description of securities

Description of securities

the following securities in the bid class in which the bidder has a relevant interest

Tick one box

### 3. The bidder gives you notice under subsection 661B(1) of the Corporations Act 2001 ('the Act') that the bidder has become entitled pursuant to subsection

661A(1)

661A(3)

of the Act to compulsorily acquire your securities and desires to acquire those securities.

For personal use only

Continued... Notice

- 4 Under section 661D of the Act, you have the right, by notice in writing given to the bidder within one month after this notice is lodged with ASIC, to ask the bidder for a written statement of the names and addresses of everyone else the bidder has given this notice to.

This notice was lodged with ASIC on

Date

0	9	/	0	7	/	2	0
[D	D]		[M	M]		[Y	Y]

Date of lodgement

Insert paragraph 4A only where alternative forms of consideration were offered under the bid.

- 4A. You are entitled, within one month after being given this notice (see paragraph 8), or within 14 days after being given a statement requested under section 661D of the Act (as referred to in paragraph 4 of this notice), whichever is the later, by notice in writing to the bidder, to elect which of the following forms of consideration will apply to the acquisition of your securities:

Details of alternative terms.


If you do not elect which of the alternative forms of consideration will apply to the acquisition of your securities, the form of consideration that will apply will be:

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- 5. Under section 661E of the Act, you have the right, within one month after being given this notice (see paragraph 8) or within 14 days after being given a statement requested under section 661D of the Act (as referred to in paragraph 4 of this notice), whichever is later, to apply to the Court for an order that the securities not be compulsorily acquired.

- 6. The bidder is entitled and bound to acquire the securities on the terms that applied under the takeover bid immediately before

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this notice was given.  
 the end of the offer period.

- 7. Unless the Court otherwise orders, on application made by you under section 661E of the Act within one month after being given this notice (see paragraph 8) or within 14 days after being given a statement under section 661D (as referred to in paragraph 4 of this notice), whichever is the later, the bidder must comply with paragraph 6 of this notice.

- 8. A notice sent by post to you is taken to be given to you 3 days after it is posted.

Signature

Name of person signing

David Wall
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Capacity

Director of the Company
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Signature


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Date signed

0	9	/	0	7	/	2	0
[D	D]		[M	M]		[Y	Y]

For personal use only