

**For Immediate Release ASX Announcement**

15 February 2019

**Australis seeking to raise A\$30.5 million via share placement**

Australis Oil & Gas Limited (**Australis**) is pleased to announce that it is seeking commitments from institutional and sophisticated investors to raise up to A\$30.5 million before costs (**Placement**). The proposed Placement will be in two tranches and is expected to comprise the issue of approximately 87 million new fully paid ordinary Australis shares at an issue price of \$0.35 per share.

Following positive initial results described in recent ASX announcements<sup>(1)</sup>, funds raised from the Placement will be used to:

- a) increase financial flexibility for negotiation of rig and other services for the next phase of the TMS initial drilling program after the sixth well;
- b) acquire additional derisked TMS core area lease holdings; and
- c) strengthen the balance sheet and working capital.

**Share Placement**

The Placement will be conducted via a fixed price bookbuild to eligible sophisticated, professional and other institutional investors in both Australia and selected international jurisdictions.

The proposed issue price of \$0.35 per share, as at the last closing price on Thursday, 14 February 2019 represents a:

- 12.5% discount to the last closing price of \$0.400 per share;
- 9.2% discount to the 5-day VWAP of \$0.386 per share;
- 7.4% discount to the 10-day VWAP of \$0.378 per share; and
- 1.3% premium to the 30-day VWAP of \$0.346 per share.

It is expected that the proposed Placement will be conducted in two tranches as follows:

- Tranche 1 – unconditional placement of approximately 83.9 million shares to raise approximately A\$29.4 under the Australis' existing ASX Listing Rule 7.1 capacity; and
- Tranche 2 – conditional placement of approximately 3.1 million shares to Australis Chairman Jon Stewart and Non-Executive Director Alan Watson to raise approximately A\$1.1 million, which will be subject to shareholder approval to be sought at the Annual General Meeting in April 2019.

The proposed Placement represents approximately 9.7% of the current number of ordinary shares on issue. New shares issued under the Placement will rank equally with existing Australis shares. The Placement is not underwritten.

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## Timeline

The indicative timetable for the Placement is:

<b>Trading halt and announcement of Placement</b>	Pre-open ASX trading, Friday, 15 February 2019
<b>Australian and international offer opens</b>	Friday 15 February 2019
<b>ASX announcement of Placement and return to trading</b>	Monday 18 February 2019
<b>Settlement of Tranche 1</b>	Wednesday 27 February 2019
<b>General Meeting to approve Tranche 2</b>	April, 2019
<b>Settlement of Tranche 2 Placement shares</b>	April, 2019

This timetable is indicative only and may be subject to change subject to the requirements of the Corporations Act 2001 (Cth) and the ASX Listing Rules.

## Further Information

Euroz Securities Limited is acting as Lead Manager and Bookrunner to the Placement. RBC Capital Markets is acting as a Co-Lead Manager to the Placement.

Further information in relation to the Placement and Australis can be found in the investor presentation, released on Australis's ASX announcement platform today.

## Ends

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## About Australis Oil & Gas Limited (Australis)

Australis (ASX: ATS) is an ASX listed upstream oil and gas company seeking to provide shareholders value and growth through the strategic development of its quality onshore oil and gas assets in the United States of America and Portugal. Australis' 110,000 net acres within the production delineated core of the oil producing TMS provides significant upside potential with a Company estimated 410 net future drilling locations, and an independently assessed 50 MMbbl of 2P oil reserves (including 4 MMbbl producing reserves providing net free cash flow)<sup>2</sup> as well as 108 MMbbl of 2C contingent oil resource<sup>2</sup> (based on net acreage at the effective date of the report of 110,000 acres). The Company was formed by the founders and key executives of Aurora Oil & Gas Limited, a team with a demonstrated track record of creating and realising shareholder value.

## Notes

1. ASX Announcements:
  - Quarterly activities report dated 31 January 2019
  - The 2018 year end reserve and resource update dated 6 February 2019
  - The Investor Presentation dated 11 February 2019
2. The most recent TMS estimates have been taken from the independent Ryder Scott report, effective 31 December 2018 and announced on 6 February 2019 titled 'Reserve and Resource Update – Year end 2018'. The report was prepared in accordance with the definitions and disclosure guidelines contained in the Society of Petroleum Engineers (SPE), World Petroleum Council (WPC), American Association of Petroleum Geologists (AAPG), and Society of Petroleum Evaluation Engineers (SPEE) Petroleum Resources Management (SPE-PRMS) as revised in June 2018. Ryder Scott generated their independent reserve and contingent resource estimates using a deterministic method. The Company is not aware of any new information or data that materially affects the information included in the referenced market announcement and that all material assumptions and technical parameters underpinning the estimates in the referenced market announcement continue to apply and have not materially changed.

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