

By email

25 July 2016

Company Announcements Office
ASX Limited
Level 40, Central Park
152-158 St George's Terrace
Perth WA 6000

Dear Sir/Madam

Substantial holding interests in Australis Oil & Gas Limited ACN 609 262 937 (ASX:ATS) (Company)

Enclosed is a substantial shareholder notice in respect of the Company's interest in its own shares. This letter is provided to assist the market to interpret this substantial holder notice.

Capitalised terms not defined in this letter have the meaning given to them in the prospectus dated 29 June 2016 issued by the Company (**Prospectus**).

The enclosed substantial holder notice is provided on the basis that the Company controls the disposal of shares under restriction arrangements referred to in section 2.10 of the Prospectus. The Company has no right to acquire these shares or to control the voting rights attaching to these shares.

Yours sincerely



Julie Foster
Company Secretary
Australis Oil & Gas Limited

AUSTRALIS OIL & GAS LIMITED

ABN 34 609 262 937

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Form 603
Corporations Act 2001
Section 671B

Notice of initial substantial holder

To Company Name/Scheme Australis Oil & Gas Limited (Australis)

ACN/ARSN 609 262 937

1. Details of substantial holder (1)

Name Australis (and all of the persons named in Annexure A)

ACN/ARSN (if applicable) 609 262 937 and in connection with the persons named in Annexure A, see Annexure A (to the extent applicable).

The holder became a substantial holder on 21/07/2016

2. Details of voting power

The total number of votes attached to all the voting shares in the company or voting interests in the scheme that the substantial holder or an associate (2) had a relevant interest (3) in on the date the substantial holder became a substantial holder are as follows:

Class of securities (4)	Number of securities	Person's votes (5)	Voting power (6)
ORDINARY SHARES	61,971,203	61,971,203	18.14%

3. Details of relevant interests

The nature of the relevant interest the substantial holder or an associate had in the following voting securities on the date the substantial holder became a substantial holder are as follows:

Holder of relevant interest	Nature of relevant interest (7)	Class and number of securities
Australis (and all of the persons named in Annexure A)	Restrictions on the disposal of shares under restriction agreements disclosed in Australis' prospectus dated 29 June 2016 that give Australis a technical relevant interest in the shares the subject of those agreements under section 608(1)(c) of the Corporations Act (Act). However, Australis has no right to acquire these shares or to control voting rights attaching to these shares. These restriction agreements are in the form set out in Appendix 9A of the ASX Listing Rules. A pro forma of which is attached as Annexure B to this notice.	61,971,203 ordinary shares

4. Details of present registered holders

The persons registered as holders of the securities referred to in paragraph 3 above are as follows:

Holder of relevant interest	Registered holder of Securities	Person entitled to be registered as holder (8)	Class and number of securities
Australis	Epicure Superannuation Pty Limited ATF Epicure Superannuation Fund	Epicure Superannuation Pty Limited ATF Epicure Superannuation Fund	4,430,001 ordinary shares
Australis	JK Stewart Investments Pty Ltd ATF The JK Stewart Investment Trust	JK Stewart Investments Pty Ltd ATF The JK Stewart Investment Trust	33,392,858 ordinary shares
Australis	Everzen Holdings Pty Limited ATF Lusted Family Trust	Everzen Holdings Pty Limited ATF Lusted Family Trust	10,803,572 ordinary shares
Australis	Goldmantra Corporation Pty Limited ATF Lusted Superannuation Fund Security Trust	Goldmantra Corporation Pty Limited ATF Lusted Superannuation Fund Security Trust	600,000 ordinary shares
Australis	IG Lusted Pty Limited ATF Lusted Family Superannuation Fund	IG Lusted Pty Limited ATF Lusted Family Superannuation Fund	60,000 ordinary shares
Australis	Graham Dowland	Graham Dowland	1 ordinary share
Australis	Avalon Valley Pty Limited ATF The GR Dowland Family Trust	Avalon Valley Pty Limited ATF The GR Dowland Family Trust	300,000 ordinary shares
Australis	Avalon Valley Pty Limited ATF The GR & TJ Dowland Superannuation Fund	Avalon Valley Pty Limited ATF The GR & TJ Dowland Superannuation Fund	372,000 ordinary shares
Australis	Treffina Joyce Dowland	Treffina Joyce Dowland	10,803,571 ordinary shares
Australis	Finter Super Pty Ltd ATF Finter Super Fund A/C	Finter Super Pty Ltd ATF Finter Super Fund A/C	304,600 ordinary shares
Australis	Tomsuca Investments Pty Ltd ATF Tomsuca Family A/C	Tomsuca Investments Pty Ltd ATF Tomsuca Family A/C	304,600 ordinary shares
Australis	Malcolm Ian Bult and Sally Ann Bult ATF Bult Family Trust	Malcolm Ian Bult and Sally Ann Bult ATF Bult Family Trust	300,000 ordinary shares
Australis	James Oliver Foster and Julie Mari Foster ATF The Foster Super Fund	James Oliver Foster and Julie Mari Foster ATF The Foster Super Fund	250,000 ordinary shares
Australis	Julie Mari Foster	Julie Mari Foster	50,000 ordinary shares

5. Consideration

The consideration paid for each relevant interest referred to in paragraph 3 above, and acquired in the four months prior to the day that the substantial holder became a substantial holder is as follows:

No consideration was paid by Australis. Australis has no right to acquire the shares that are subject to the restriction agreements.

6. Associates

The reasons the persons named in paragraph 3 above are associates of the substantial holder are as follows:

Name and ACN/ARSN (if applicable)	Nature of association
See Annexure A	See Annexure A

7. Addresses

The addresses of persons named in this form are as follows:

Name	Address
Australis	Level 2, Suite 20, Level 2, 22 Railway Road, SUBIACO WA 6008
Entities named in Annexure A	See Annexure A
Registered holders named in paragraph 4	c/o Australis, Level 2, Suite 20, Level 2, 22 Railway Road, SUBIACO WA 6008

Signature

print name

JULIE FOSTER

capacity

COMPANY SECRETARY

sign here

Julie Foster

date

25/07/2016

DIRECTIONS

- (1) If there are a number of substantial holders with similar or related relevant interests (eg. a corporation and its related corporations, or the manager and trustee of an equity trust), the names could be included in an annexure to the form. If the relevant interests of a group of persons are essentially similar, they may be referred to throughout the form as a specifically named group if the membership of each group, with the names and addresses of members is clearly set out in paragraph 7 of the form.
- (2) See the definition of "associate" in section 9 of the Corporations Act 2001.
- (3) See the definition of "relevant interest" in sections 608 and 671B(7) of the Corporations Act 2001.
- (4) The voting shares of a company constitute one class unless divided into separate classes.
- (5) The total number of votes attached to all the voting shares in the company or voting interests in the scheme (if any) that the person or an associate has a relevant interest in.
- (6) The person's votes divided by the total votes in the body corporate or scheme multiplied by 100.
- (7) Include details of:
 - (a) any relevant agreement or other circumstances by which the relevant interest was acquired. If subsection 671B(4) applies, a copy of any document setting out the terms of any relevant agreement, and a statement by the person giving full and accurate details of any contract, scheme or arrangement, must accompany this form, together with a written statement certifying this contract, scheme or
 - (b) any qualification of the power of a person to exercise, control the exercise of, or influence the exercise of, the voting powers or disposal of the securities to which the relevant interest relates (indicating clearly the particular securities to which the qualification applies).See the definition of "relevant agreement" in section 9 of the Corporations Act 2001.
- (8) If the substantial holder is unable to determine the identity of the person (eg. if the relevant interest arises because of an option) write "unknown."

- (9) Details of the consideration must include any and all benefits, moneys and other, that any person from whom a relevant interest was acquired has, or may, become entitled to receive in relation to that acquisition. Details must be included even if the benefit is conditional on the happening or not of a contingency. Details must be included of any benefit paid on behalf of the substantial holder or its associate in relation to the acquisitions, even if they are not paid directly to the person from whom the relevant interest was acquired.

Annexure A- Substantial Holders

This is Annexure A of 1 page referred to in the Form 603 (Notice of substantial holder)



Signature of JULIE FOSTER

Position: COMPANY SECRETARY

Date: 25 /07/2016

Name	Address
Subsidiary companies ultimately held by Australis (Australian)	
Australis Europe Pty Ltd ACN 168 643 981	Suite 20, Level 2, 22 Railway Road, SUBIACO WA 6008
Australis USA 1 Pty Ltd ACN 609 692 177	Suite 20, Level 2, 22 Railway Road, SUBIACO WA 6008
Subsidiary companies ultimately held by Australis (USA)	
Australis TMS, Inc	1201 Louisiana, Suite 730, Houston, Texas 77002
Australis Services, Inc	1201 Louisiana, Suite 730, Houston, Texas 77002
Subsidiary companies ultimately held by Australis (Portugal)	
Australis Oil & Gas Portugal, Sociedade Unipessoal Lda	Largo Rafael Bordalo Pinheiro ao Chiado, N° 16 , Freguesia de Santa Maria Maior, 1200-369 Lisboa
Subsidiary companies ultimately held by Australis (England and Wales)	
Australis Oil & Gas UK Limited	11B Eaton Place, London, England SW1X 88N

Annexure B – Restriction Agreements

This is Annexure B of 5 pages (including this page) referred to in the Form 603 (Notice of substantial holder).



Signature of JULIE FOSTER

Position: COMPANY SECRETARY

Date: 25 /07/2016

Appendix 9A

Restriction agreement

Introduced 01/07/96 Origin: Appendix 11 Amended 01/07/98, 11/03/02, 24/10/05, 20/07/07

We, the persons in:

- Item 1 of the schedule (“entity”);
- Item 2 of the schedule (“holder”);
- Item 3 of the schedule (“controller”),

agree as follows.

Introduction

- *A. The entity intends to issue restricted securities to the holder. The holder will hold the restricted securities as set out in this agreement. It is a condition of the issue of the restricted securities that we will comply with this agreement.
- *A. The entity wants to be listed and has issued restricted securities. The holder will hold the restricted securities as set out in this agreement on the basis that the entity will take the steps necessary to be admitted to the ⁺official list of ASX.
- B. We have provided ASX with all the information necessary to properly form an opinion about who is a ⁺controller of the holder and who is required to execute this agreement.
- C. We enter this agreement for the purpose of complying with chapter 9 of the listing rules.

(* delete as applicable)

Agreement

Escrow restrictions

1. During the escrow period, the holder will not do any of the following.
 - (a) ⁺Dispose of, or agree or offer to ⁺dispose of, the restricted securities.

⁺ See chapter 19 for defined terms.

Appendix 9A Restriction agreement

- (b) Create, or agree or offer to create, any security interest in the restricted securities.
 - (c) Do, or omit to do, any act if the act or omission would have the effect of transferring effective ownership or control of the restricted securities.
 - (d) Participate in a return of capital made by the entity.
Amended 24/10/05
2. During the escrow period, a controller will not do any of the following.
- (a) ⁺Dispose of, or agree or offer to ⁺dispose of, the controller interests.
 - (b) Create, or agree or offer to create, any security interest in the controller interests.
 - (c) Do, or omit to do, any act if the act or omission would have the effect of transferring effective ownership or control of the controller interests.
3. We will comply with chapter 9 of the listing rules. If any of us is not a listed entity, we will comply as if we were a listed entity. Each of us will take any steps we are able to take that are necessary to enable any of the others to comply.
- 4.
- (a) If the restricted securities are kept on the ⁺certificated subregister, the holder will deposit the certificates for the restricted securities with a bank or ⁺recognised trustee for the escrow period.
 - (b) If the restricted securities are kept on the ⁺issuer sponsored subregister, the holder hereby agrees in writing to the application of a ⁺holding lock to the restricted securities.

Warranties

5. If only the holder and the entity are parties to this agreement, one of the following applies.
- (a) The holder is an individual.
 - (b) The holder has no ⁺controller.
 - (c) The holder has the ⁺controllers set out in item 3 with the interests identified in item 6, and each ⁺controller comes within an exception set out in rule 9.1.4.

⁺ See chapter 19 for defined terms.

The holder gives this warranty.

6. If the holder, the entity and any +controller are parties to this agreement, the holder has the +controllers set out in item 3 with the controller interests identified in item 6, and any +controller who is not a party to this agreement comes within an exception set out in rule 9.1.4. The holder and each +controller give this warranty.
7. If item 7 of the schedule is completed, the full particulars of security interests which have been created, or are agreed or offered to be created, in the restricted securities are set out. A release of the security interests is attached. Apart from this, before the escrow period begins, the holder has not done, or omitted to do, any act which would breach clause 1 if done or omitted during the escrow period. The holder gives this warranty.
8. If item 8 of the schedule is completed, the full particulars of security interests which have been created, or are agreed or offered to be created, in the controller interests are set out. A release of the security interests is attached. Apart from this, before the escrow period begins, the +controller has not done, or omitted to do, any act which would breach clause 2 if done or omitted during the escrow period. Each +controller gives this warranty.
9. A breach of any of these warranties is a breach of this agreement.

Consequences of breaching this agreement

10. If it appears to the entity that the holder or a +controller may breach this agreement, the entity must take the steps necessary to prevent the breach, or to enforce the agreement.
11. If the holder or a +controller breach this agreement, each of the following applies.
 - (a) The entity must take the steps necessary to enforce the agreement, or to rectify the breach.
 - (b) The entity must refuse to acknowledge, deal with, accept or register any sale, assignment, transfer or +conversion of any of the +restricted securities. This is in addition to other rights and remedies of the entity.
 - (c) The holder of the +restricted securities ceases to be entitled to any dividends, distributions or voting rights while the breach continues.

Amendment

12. This agreement will not be changed or waived without ASX's written consent.

+ See chapter 19 for defined terms.

Jurisdiction

13. The laws of the State of the home branch of the entity apply to this agreement. We submit to the jurisdiction of the courts of that State.

Definitions and interpretation

In this agreement:

ASX means ASX Limited.

controller interests means the +securities, substantial economic interest or other interests in the restricted securities and each intermediate entity through which that interest occurs, full particulars of which are set out in item 6 of the schedule.

escrow period means the period set out in item 4 of the schedule.

restricted securities means the +securities set out in item 5 of the schedule and any +securities attaching to or arising out of those +securities that are restricted securities because of the definition of restricted securities in the listing rules.

The singular includes the plural and vice versa.

A reference to a party includes its successors, personal representatives and transferees.

Words and expressions defined in the listing rules of ASX, and not in this agreement, have the meanings given to them in the listing rules.

Every warranty or agreement (expressed or implied) in which more than one person joins, binds them individually and any combination of them as a group.

Schedule

1. Entity's name and address:
2. Holder's name and address:
3. Each +controllers' name and address:
4. Escrow period (the date from which the initial restricted securities are escrowed):
5. Particulars of restricted securities:
6. Particulars of controller interests:
7. Particulars of security interests over restricted securities:
8. Particulars of security interests over controller interests:

Dated:

[Proper execution as a deed]

+ See chapter 19 for defined terms.