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13 July 2021

ASX Announcement

Po Valley Energy Limited Successfully Completes Fully Underwritten Retail Offer

- Fully underwritten Retail Offer closes, raising A\$2.6 million
- A\$10.1 million gross proceeds raised from the A\$1.0 million Placement and fully underwritten Entitlement Offer of A\$9.1 million
- Po Valley Energy has established the balance sheet and funding base to advance the Selva Malvezzi gas project

Po Valley Energy Limited (PVE.ASX) (“**Po Valley Energy**”, the “**Company**”) is pleased to announce the successful completion of the retail entitlement offer of the fully underwritten 1 for 2 pro rata accelerated non-renounceable entitlement offer (**Entitlement Offer**) to raise \$9.1 million, together with the institutional placement of A\$1.0 million (**Placement**) of fully paid ordinary shares in Po Valley Energy (**New Shares**) announced on 21 June 2021.

Completion of the Retail Offer

The retail component of the Entitlement Offer (**Retail Offer**) to raise \$2.6 million was fully underwritten by Henslow Pty Ltd and supported by eligible retail shareholders who applied for approximately 39.8 million New Shares pursuant to their entitlements, representing a take-up rate of approximately 57.4% (excluding conversion of shareholder loan principal and interest of approximately \$0.6 million). The shortfall under the Retail Offer was therefore approximately \$0.8 million and will be allocated pursuant to sub-underwriting agreements.

Po Valley Energy Chairman Michael Masterman said:

“The successful completion of the placement and entitlement offer is a significant capital raising for Po Valley Energy and established the balance sheet and the funding base to advance the Selva gas field development. The board is very pleased to have the support of new key institutional investors and existing shareholders in the pivotal capital raising.”

The New Shares subscribed for under the Retail Offer are expected to settle on Thursday 15 July 2021, with allotment and normal trading on the ASX to commence on Friday, 16 July 2021. New Shares issued under the Retail Offer will rank equally with existing Po Valley Energy shares on issue.

Established Balance Sheet and Funding Base to Advance Selva gas field

Post completion of the \$10.1 million capital raising, Po Valley Energy is pleased to welcome Australian institutional investors to the share register and confirm:

- Cash at bank of A\$4.5 million, conversion of shareholder loan principal and interest (including convertible note interest) and repayment of A\$0.75 million of convertible notes (A\$1.75 million convertible notes outstanding post transaction);
- the Company is now fully funded for the development of the Selva Malvezzi gas project targeting first gas in Q2 2022 with the following key highlights;
 - Onshore gas development asset located in the eastern part of the Po Plain, Italy;
 - €2.3 million natural gas development project based on historic onshore gas fields formerly operated by Eni;
 - Environmental Impact Assessment (EIA) approval announced April 2021 (received in late March 2021) (ASX announcement 6 April 2021);



- 63%-owned by Po Valley, with 20% United Oil & Gas Plc, 17% Prospex Oil & Gas; concession quota transfer to be authorized by the Ministry;
- Po Valley Energy's late 2017 drilling program intersected two identified gas reservoirs, C1 and C2, in the Medium-Upper Pliocene sands (ASX announcement 21 December 2017);
- Successful well test in early 2018 (ASX announcement 19 January 2018) demonstrated good flow rates of 5.0 MMcf/day from C1 and C2 sands with the following key steps for development:
 1. Install skid mounted separation and dehydration units, fiscal metering and water storage tanks; and
 2. Install a 1km long pipeline to connect to the existing National Grid.

Po Valley Energy encourages investors to view the investor presentation released on ASX on 18 June 2021 and visit the Company's website www.povalley.com for further information on the Company and projects.

This announcement was approved and authorised for release by the Board of Directors of the Po Valley Energy Limited

For further information please contact:

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The Company confirms it is not aware of any new information or data that materially affects the information included in the original market announcements referred to in this announcement and, in the case of estimates for petroleum reserves, contingent resources and prospective resources, all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not materially changed from the original market announcement.

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