

Announcement Summary

Entity name

PO VALLEY ENERGY LIMITED

Announcement Type

New announcement

Date of this announcement

18/6/2021

The Proposed issue is: An accelerated offer A placement or other type of issue**Total number of +securities proposed to be issued for an accelerated offer**

ASX +security code	+Security description	Maximum Number of +securities to be issued
PVE	ORDINARY FULLY PAID	323,643,052

Trading resumes on an ex-entitlement basis (ex date)

21/6/2021

+Record date

21/6/2021

Offer closing date for retail +security holders

9/7/2021

Issue date for retail +security holders

15/7/2021

Total number of +securities proposed to be issued for a placement or other type of issue

ASX +security code	+Security description	Maximum Number of +securities to be issued
PVE	ORDINARY FULLY PAID	35,714,286

Proposed +issue date

21/6/2021

Refer to next page for full details of the announcement





Part 1 - Entity and announcement details

1.1 Name of +Entity

PO VALLEY ENERGY LIMITED

We (the entity named above) give ASX the following information about a proposed issue of +securities and, if ASX agrees to +quote any of the +securities (including any rights) on a +deferred settlement basis, we agree to the matters set out in Appendix 3B of the ASX Listing Rules.

If the +securities are being offered under a +disclosure document or +PDS and are intended to be quoted on ASX, we also apply for quotation of all of the +securities that may be issued under the +disclosure document or +PDS on the terms set out in Appendix 2A of the ASX Listing Rules (on the understanding that once the final number of +securities issued under the +disclosure document or +PDS is known, in accordance with Listing Rule 3.10.3C, we will complete and lodge with ASX an Appendix 2A online form notifying ASX of their issue and applying for their quotation).

1.2 Registered Number Type

ABN

Registration Number

33087741571

1.3 ASX issuer code

PVE

1.4 The announcement is

New announcement

1.5 Date of this announcement

18/6/2021

1.6 The Proposed issue is:

An accelerated offer

A placement or other type of issue

1.6b The proposed accelerated offer is

Accelerated non-renounceable entitlement offer (commonly known as a JUMBO or ANREO)



Part 3 - Details of proposed entitlement offer issue

Part 3A - Conditions

3A.1 Do any external approvals need to be obtained or other conditions satisfied before the entitlement offer can proceed on an unconditional basis?

No

Part 3B - Offer details

Class or classes of +securities that will participate in the proposed issue and class or classes of +securities proposed to be issued

ASX +security code and description

PVE : ORDINARY FULLY PAID

Is the proposed security a 'New class' (+securities in a class that is not yet quoted or recorded by ASX) or an 'Existing class' (additional securities in a class that is already quoted or recorded by ASX)?

Existing class

Will the proposed issue of this +security include an offer of attaching +securities?

No

If the entity has quoted company options, do the terms entitle option holders to participate on exercise?

No

Details of +securities proposed to be issued

ASX +security code and description

PVE : ORDINARY FULLY PAID

ISIN Code (if Issuer is a foreign company and +securities are non CDIs)

ISIN Code for the entitlement or right to participate in the offer (if Issuer is foreign company and +securities are non CDIs)

Offer ratio (ratio to existing holdings at which the proposed +securities will be issued)

Has the offer ratio been determined?

Yes

The quantity of additional +securities For a given quantity of +securities

**to be issued**

1

held

2

What will be done with fractional entitlements?

Fractions rounded down to the nearest whole number or fractions disregarded

Maximum number of +securities proposed to be issued (subject to rounding)

323,643,052

Offer price details for retail security holders**Has the offer price for the retail offer been determined?** Yes**In what currency will the offer be made?**

AUD - Australian Dollar

What is the offer price per +security for the retail offer?

AUD 0.02800

Offer price details for institutional security holders**Has the offer price for the institutional offer been determined?** Yes**In what currency will the offer be made?**

AUD - Australian Dollar

What is the offer price per +security for the institutional offer?

AUD 0.02800

Oversubscription & Scale back details**Will individual +security holders be permitted to apply for more than their entitlement (i.e. to over-subscribe)?** Yes**Describe the limits on over-subscription**

Eligible retail shareholders may apply for new PVE shares in excess of their entitlement (Additional New Shares) under a top-up facility. PVE reserves the right (in conjunction with the Underwriter) to apply a cap on the number of shortfall shares that may be issued to any Applicant. Any Additional New Shares will be limited to the extent that there are sufficient New Shares from eligible retail shareholders who do not take up their full entitlements.

Will a scale back be applied if the offer is over-subscribed? Yes**Describe the scale back arrangements**

If there are excess oversubscription applications, PVE (in conjunction with the Underwriter) reserves the right to scale back applications for Additional New Shares in its absolute discretion. In the event of a scale back, the difference between the application monies received and the number of Additional New Shares allocated to an eligible retail shareholder multiplied by the offer price will be refunded. No interest will be paid on any application monies which are received and refunded.

Will these +securities rank equally in all respects from their issue date with the existing issued +securities in that class?



– Yes

Part 3D - Timetable

3D.1a First day of trading halt

17/6/2021

3D.1b Announcement date of accelerated offer

18/6/2021

3D.2 Trading resumes on an ex-entitlement basis (ex date)

21/6/2021

3D.5 Date offer will be made to eligible institutional +security holders

18/6/2021

3D.6 Application closing date for institutional +security holders

18/6/2021

3D.8 Announcement of results of institutional offer

(The announcement should be made before the resumption of trading following the trading halt)

21/6/2021

3D.9 +Record date

21/6/2021

3D.10a Settlement date of new +securities issued under institutional entitlement offer

24/6/2021

3D.10b +Issue date for institutional +security holders

25/6/2021

3D.10c Normal trading of new +securities issued under institutional entitlement offer

25/6/2021

3D.11 Date on which offer documents will be sent to retail +security holders entitled to participate in the +pro rata issue

24/6/2021

3D.12 Offer closing date for retail +security holders

9/7/2021



3D.13 Last day to extend retail offer close date

6/7/2021

3D.19 +Issue date for retail +security holders and last day for entity to announce results of retail offer

15/7/2021

Part 3E - Fees and expenses

3E.1 Will there be a lead manager or broker to the proposed offer?

Yes

3E.1a Who is the lead manager/broker?

Henslow Pty Ltd

3E.1b What fee, commission or other consideration is payable to them for acting as lead manager/broker?

Underwriting fee of \$200,000
Management fee of 3% of any sub-underwriting commitment which the Underwriter introduces to the Company; and
Issue of 5 million unlisted options in the Company with a strike price of \$0.05 and expiry of 24 months from the issue date.

3E.2 Is the proposed offer to be underwritten?

Yes

3E.2a Who are the underwriter(s)?

Henslow Pty Ltd

3E.2b What is the extent of the underwriting (ie the amount or proportion of the offer that is underwritten)?

The Entitlement offer is fully underwritten by Henslow Pty Ltd

3E.2c What fees, commissions or other consideration are payable to them for acting as underwriter(s)?

as above in 3E.1b

3E.2d Please provide a summary of the significant events that could lead to the underwriting being terminated

The Underwriting Agreement contains customary termination rights, including market fall, material adverse change, and adverse changes or hostilities in specified financial markets and jurisdictions.

3E.2e Is a party referred to in listing rule 10.11 underwriting or sub-underwriting the proposed offer?

Yes

3E.2e (i) What is the name of that party?

The Lead Managers have advised the Company that they have entered into sub-underwriting agreements in respect of the Entitlement Offer with parties / interests related Mr Michael Masterman and Mr Kevin Bailey, both Directors of the Company.

3E.2e (ii) What is the extent of their underwriting or sub-underwriting (ie the amount or proportion of the offer they have underwritten or sub-underwritten)?

Refer to Equity Capital Raising Overview in the Investor Presentation and Section 3 of the retail offer document for further details regarding sub-underwriting agreements.



3E.2e (iii) What fee, commission or other consideration is payable to them for acting as underwriter or sub-underwriter?

Nil

3E.3 Will brokers who lodge acceptances or renunciations on behalf of eligible +security holders be paid a handling fee or commission?

No

3E.4 Details of any other material fees or costs to be incurred by the entity in connection with the proposed offer

Standard share registry charges, external advisers, ASX administration fees. Total transaction costs including lead manager and underwriting fees are estimated at \$377,000

Part 3F - Further Information

3F.1 The purpose(s) for which the entity intends to use the cash raised by the proposed issue

Proceeds from the Placement and Entitlement Offer for the development of the Selva Malvezzi project and to strengthen the balance sheet, including the retirement shareholder loans and interest and repayment of convertible notes.

3F.2 Will holdings on different registers or subregisters be aggregated for the purposes of determining entitlements to the issue?

No

3F.3 Will the entity be changing its dividend/distribution policy if the proposed issue is successful?

No

3F.4 Countries in which the entity has +security holders who will not be eligible to participate in the proposed issue

Offer is extended to all security holders in all jurisdictions

3F.5 Will the offer be made to eligible beneficiaries on whose behalf eligible nominees or custodians hold existing +securities

No

3F.6 URL on the entity's website where investors can download information about the proposed issue

<https://www.povalley.com/en/investors/>

3F.7 Any other information the entity wishes to provide about the proposed issue

n/a

3F.8 Will the offer of rights under the rights issue be made under a disclosure document or product disclosure statement under Chapter 6D or Part 7.9 of the Corporations Act (as applicable)?

No

3F.9 Any on-sale of the +securities proposed to be issued within 12 months of their date of issue will comply with the secondary sale provisions in sections 707(3) and 1012C(6) of the Corporations Act by virtue of:

The publication of a cleansing notice under section 708A(5), 708AA(2)(f), 1012DA(5) or 1012DAA(2)(f)



Part 7 - Details of proposed placement or other issue

Part 7A - Conditions

7A.1 Do any external approvals need to be obtained or other conditions satisfied before the placement or other type of issue can proceed on an unconditional basis?

No

Part 7B - Issue details

Is the proposed security a 'New class' (+securities in a class that is not yet quoted or recorded by ASX) or an 'Existing class' (additional securities in a class that is already quoted or recorded by ASX)?

Existing class

Will the proposed issue of this +security include an offer of attaching +securities?

No

Details of +securities proposed to be issued

ASX +security code and description

PVE : ORDINARY FULLY PAID

Number of +securities proposed to be issued

35,714,286

Offer price details

Are the +securities proposed to be issued being issued for a cash consideration?

Yes

In what currency is the cash consideration being paid?

AUD - Australian Dollar

What is the issue price per +security?

AUD 0.02800

Will these +securities rank equally in all respects from their issue date with the existing issued +securities in that class?

Yes



Part 7C - Timetable

7C.1 Proposed +issue date

21/6/2021

Part 7D - Listing Rule requirements

7D.1 Has the entity obtained, or is it obtaining, +security holder approval for the entire issue under listing rule 7.1?

No

7D.1b Are any of the +securities proposed to be issued without +security holder approval using the entity's 15% placement capacity under listing rule 7.1?

Yes

7D.1b (i) How many +securities are proposed to be issued without security holder approval using the entity's 15% placement capacity under listing rule 7.1?

35,714,286

7D.1c Are any of the +securities proposed to be issued without +security holder approval using the entity's additional 10% placement capacity under listing rule 7.1A (if applicable)?

No

7D.2 Is a party referred to in listing rule 10.11 participating in the proposed issue?

No

7D.3 Will any of the +securities to be issued be +restricted securities for the purposes of the listing rules?

No

7D.4 Will any of the +securities to be issued be subject to +voluntary escrow?

No

Part 7E - Fees and expenses

7E.1 Will there be a lead manager or broker to the proposed issue?

Yes

7E.1a Who is the lead manager/broker?

Henslow Pty Ltd

7E.1b What fee, commission or other consideration is payable to them for acting as lead manager/broker?

Underwriting fee of \$200,000
Management fee of 3% of any sub-underwriting commitment which the Underwriter introduces to the Company; and
Issue of 5 million unlisted options in the Company with a strike price of \$0.05 and expiry of 24 months from the issue date.

7E.2 Is the proposed issue to be underwritten?



No

7E.4 Details of any other material fees or costs to be incurred by the entity in connection with the proposed issue

Henslow Pty Ltd

Part 7F - Further Information

7F.01 The purpose(s) for which the entity is issuing the securities

Proceeds from the Placement and Entitlement Offer for the development of the Selva Malvezzi project and to strengthen the balance sheet, including the retirement shareholder loans and interest and repayment of convertible notes.

7F.1 Will the entity be changing its dividend/distribution policy if the proposed issue proceeds?

No

7F.2 Any other information the entity wishes to provide about the proposed issue

n/a

7F.3 Any on-sale of the +securities proposed to be issued within 12 months of their date of issue will comply with the secondary sale provisions in sections 707(3) and 1012C(6) of the Corporations Act by virtue of:

The publication of a cleansing notice under section 708A(5), 708AA(2)(f), 1012DA(5) or 1012DAA(2)(f)