

18th November 2020

Placement to Raise \$10.0 million

88 Energy Limited ("**88 Energy**" or the "**Company**", ASX:88E, AIM 88E) is pleased to advise that it has successfully completed a bookbuild to domestic and international institutional and sophisticated investors to raise up to A\$10.07 million before costs (the "**Placement**") through the issue of up to 1,678,333,334 fully paid ordinary shares in the capital of the Company (the "**New Ordinary Shares**") at an issue price of A\$0.006 (equivalent to £0.033) per New Ordinary Share (the "**Placement Price**").

Each of the Directors intend to participate in the Placement. Accordingly, the Company intends to seek shareholder approval for the Directors to participate in the Placement by subscribing for a total of 11,666,667 New Ordinary Shares ("**Director Participation Placement Shares**"). A shareholder meeting notice will be dispatched shortly and made available for shareholders on the Company's ASX platform (ASX:88E), with the anticipated meeting date for the upcoming general meeting (the "**Meeting**") to be a date towards the end of December 2020.

The capital raised under the Placement, together with the Company's existing cash reserves (A\$4.6 million as at 30 September 2020, inclusive of Joint Venture cash), will be used to fund the ongoing evaluation of the conventional and unconventional prospectivity of the Company's existing assets, including its share of any potential costs in respect to the Peregrine wells, which is due to spud in late February 2021, and to enable it to identify and exploit new opportunities on the North Slope of Alaska.

By strengthening the Company's balance sheet, the Placement will also provide the Company with sufficient capital to:

- fund well costs for the Project Peregrine wells above an anticipated farm out / carry (first well expected to spud late February 2021);
- lease rental payments on the Company's Alaskan acreage;
- fund interest payments on the Company's debt facility;
- apply funds towards new venture opportunities; and
- finance the Company's ongoing working capital requirements and general and administrative overheads.

Commenting on the Placement, Dave Wall, Managing Director of 88 Energy, stated:

"Completion of this placement positions the Company strongly as preparations continue for the drilling of the Merlin-1 and Harrier-1 wells, which will test multiple conventional targets, in Q1 CY2021. Final documentation in relation to the Peregrine farm-out with the preferred bidder is progressing with execution of final documents expected in the next few weeks.

Planning and permitting remains on schedule for a late February 2021 spud of the first well at Project Peregrine.

We would like to thank our advisers and shareholders for their continued support as we enter into this critical phase."

Euroz Hartleys Limited acted as Sole Lead Manager and Sole Bookrunner to the Placement in Australia.

The issue of the New Ordinary Shares under the Placement is not subject to prior shareholder approval (excluding the Director participation shares subject to shareholder approval), however the Company intends to seek ratification for their issue pursuant to Listing Rule 7.4 at the upcoming Meeting. The Company is issuing the New Ordinary Shares under its existing placement capacities under ASX Listing Rule 7.1 and 7.1A. A total of 1,293,842,262 of the New Ordinary Shares will be issued pursuant to Listing Rule 7.1 and 384,491,072 New Ordinary Shares will be issued pursuant to Listing Rule 7.1A. The New Ordinary Shares will rank pari passu with the existing ordinary shares in the Company, with settlement (excluding the Director Participation Placement Shares) scheduled for Friday, 27 November 2020. The Director Participation Placement Shares will settle subsequent to shareholder approval at the planned General Meeting in late December 2020.

Following the issue of the New Ordinary Shares on 27 November 2020, excluding the Director Participation Placement Shares, the Company will have 10,602,304,716 fully paid ordinary shares in the capital of the Company on issue, all of which have voting rights attaching to them. The figure of 10,602,304,716 fully paid ordinary shares may be used by shareholders as the denominator for the calculations by which they will determine if they are required to notify their interest in, or change their interest in, the Company.

Yours faithfully



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