

For Immediate Release
ASX Announcement

1 March 2021

Placement commitments to raise A\$8.175 million and an SPP to raise up to a further A\$2 million

Australis Oil & Gas Limited (**Australis** or the **Company**) (ASX:ATS) is pleased to announce a successful placement, receiving firm commitments from institutional and sophisticated investors to raise A\$8.175 million before costs (**Placement**) and a Share Purchase Plan to raise up to an additional \$2 million from existing shareholders at the Placement offer price. The Placement will be in two tranches as follows:

- Tranche 1 – Unconditional placement of 150 million new fully paid ordinary shares in Australis (**Shares**), representing approximately 15% of the existing shares on issue at a price of A\$0.05 per Share to raise up to A\$7.5 million under Australis' existing ASX Listing Rule 7.1 capacity. The new Shares are expected to be settled and allotted on Monday 8 March 2021; and
- Tranche 2 – Conditional placement of 13.5 million new Shares to the Directors of Australis at a price of A\$0.05 per Share to raise up to A\$0.675 million, which will be subject to shareholder approval to be sought at the Annual General Meeting scheduled for May 2021 and, if approved, settled and allotted shortly thereafter.

The Placement and SPP offer price of A\$0.05 per Share represents a 12.3% discount to the closing Australis trading price on Wednesday 24 February 2021 and a 13.5% discount to the 5-day VWAP to that same date.

Tranche 1 of the Placement attracted interest well in excess of the shares available to be allocated and was strongly supported by both existing shareholders and new investors. The Company will not seek shareholder approval in relation to the proposed Tranche 1 issue but will seek ratification by shareholders at the Annual General Meeting.

New Shares issued under both tranches of the Placement will rank equally with existing Australis shares.

The funds raised from the Placement and SPP will be used to:

- recommence leasing of TMS Core Area mineral rights; and
- general working capital purposes, including but not limited to, balance sheet support to:
 - aid any negotiations with potential partners;
 - provide additional capacity to accelerate existing debt repayments, if desirable to do so at the relevant time; and
 - pay the costs of the offer.

The Board notes that there is no obligation for the Company to accelerate its existing debt repayments and that they currently have no intention to do so.

The Share Purchase Plan (**SPP**) will be offered to existing and qualifying shareholders for up to A\$30,000 per holder at A\$0.05 per Share to raise up to a maximum of A\$2 million with the Directors reserving the right to scale back applications if this is exceeded. Under the SPP, each shareholder who held Shares in the Company as at 5.00pm (WST) on the record date of Friday, 26 February 2021 and who had a registered address in Australia or New Zealand will be entitled to participate. Full details of the SPP (including details

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of any scale back in the event of oversubscription) will be set out in the SPP Offer Booklet which is expected to be released on 8 March 2021. The Company intends to seek shareholder approval at its Annual General Meeting to place any shortfall under the SPP to the extent that applications for A\$2 million isn't received under the SPP.

The key indicative dates for the Placement and SPP are as follows:

Event	Date
Record Date for SPP	5.00pm (WST) on 26 February 2021
Announcement of Placement and SPP and re-commencement of trading of shares	1 March 2021
Settlement of new shares under Tranche 1 of the Placement	5 March 2021
Issue of new shares under Tranche 1 of the Placement	8 March 2021
Announcement and dispatch of the SPP Offer Booklet	8 March 2021
SPP opens	8 March 2021
SPP closes	26 March 2021
SPP results announced	31 March 2021
Issue of shares under SPP	31 March 2021
Annual General Meeting	11 May 2021
Settlement of new shares under Tranche 2 of the Placement	13 May 2021
Issue of new shares under Tranche 2 of the Placement	17 May 2021

Chairman of Australis, Jon Stewart commented "We would like to thank our existing shareholders for their continued support of the Australis strategy and to welcome new shareholders who participated in this Placement. The funds raised will assist in protecting the considerable asset value intrinsic to our holdings in the TMS. With our Tier 1 production performance and associated revenues, material resource base, strengthened balance sheet and improving market conditions we are well positioned to engage with potential partners."

Euroz Hartleys Securities Limited acted as Sole Manager and Bookrunner to the Placement.

Further information in relation to the Placement, SPP and Australis can be found in the investor presentation, released on Australis' ASX announcement platform simultaneously with this announcement, which contains important information including key risks.

ENDS

This ASX announcement was authorised for release by the Australis Disclosure Committee.

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About 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.

The Company's acreage within the core of the oil producing TMS contains 3.7 million bbls of producing reserves providing free cash flow and over 170 million bbls of mid case 2P + 2C recoverable oil¹.

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.

Footnotes

1. All estimates and risk factors taken from Ryder Scott, report prepared as at 31 December 2020 and generated for the Australis concessions to SPE standards. See ASX announcement released on 5 February 2021 titled "Reserves and Resources Update Year End 2020". The analysis was based on a land holding of 107,500 net acres. Australis is not aware of any new information or data that materially affects the information included in the referenced announcement and all the material assumptions and technical parameters underpinning the estimates in the original announcement continue to apply and have not materially changed. Ryder Scott generated their independent reserve and contingent resource estimates using a deterministic method which is based on a qualitative assessment of relative uncertainty using consistent interpretation guidelines. The independent engineers using a deterministic incremental (risk based) approach estimate the quantities at each level of uncertainty discretely and separately.

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