



ABN 42 112 256 649

www.solimarenergy.com.au

September 27, 2013

RELEASE to TSXV and ASX

Closes Private Placement And Notice to Debentureholders

Solimar Energy Limited ("Solimar" or "the Company") (ASX: SGY; TSXV: SXS) has issued units and subscription receipts convertible into units as part of a non-brokered private placement for aggregate gross proceeds of C\$500,000. Each unit was issued at a price of C\$0.015 and is comprised of one fully paid ordinary share and one warrant exercisable at C\$0.05 for the first 12 months and at \$0.10 for the subsequent 12 months. The proceeds raised from the issue of 28,234,666 units to investors totals C\$423,520. The proceeds raised from the issue of subscription receipts to three directors, which are convertible into 5,098,667 units subject to shareholder approval at the upcoming Annual General Meeting, totals C\$76,480.

Assuming shareholder approval is received, Solimar intends to use the proceeds from the placement as follows: approximately \$16,000 towards the payment of US Payables; approximately \$113,000 for the Payment of Australian Payables; Approximately \$160,000 for the payment of interest on debentures; and approximately \$211,000 for its US drilling commitments. The private placement was approved by the Corporation's board of directors, excluding those directors who have a direct interest in the private placement.

The issue of 14,066,667 shares is being done under the Company's 10% placement capacity per Listing Rule 7.1A and the balance of the shares and the issue of the warrants under the Company's 15% placement capacity per Listing Rule 7.1

An application for quotation on ASX of the shares is being made and an Appendix 3B is attached.

Solimar also wishes to advise that its financial report for the year ended 30 June 2013 is being finalised and is due to be released on or about the close of business Monday September 30, 2013 (Australia). Following the release of the financial report the Company will release a cleansing statement per section 708A(5). The financial report will reflect the Company's financial position at 30 June and incorporate the effect of recent writedowns in some of the Company's projects in particular Southeast Lost Hills and Paloma.

The Company also provides notice to the holders of outstanding debentures ("February Debentureholders") which were issued pursuant to the trust indenture dated February 10, 2012, as amended and restated on July 27, 2012, that the Company wishes to satisfy its obligation to pay interest to February Debentureholders on September 30, 2013 by issuing and delivering up to an aggregate of 7,000,000 Common Shares at a price of \$0.01 per share.

For further information contact:

Jason Bednar – Director

Phone +1 805 643 4100 or (03) 9347 2409 and website www.solimarenergy.com.au

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

Reader Advisory: Forward-looking statements

This news release contains forward-looking information relating to the Corporation's financial report for the year ended 30 June 2013, the planned development and exploration activities on the properties in which the Company has interests, and other statements that are not historical facts. Such forward-looking information is subject to important risks, uncertainties and assumptions. The results or events predicated in this forward-

looking information may differ materially from actual results or events. As a result, you are cautioned not to place undue reliance on this forward-looking information.

Forward-looking information is based on certain factors and assumptions. While the Company considers these assumptions to be reasonable based on information currently available to it, they may prove to be incorrect.

Forward looking-information is subject to certain factors, including risks and uncertainties that could cause actual results to differ materially from what is currently expected. These factors include risks associated with the instability of the economic environments in which the Company operates or owns interests, oil and gas exploration, development, exploitation, production, marketing and transportation, loss of markets, volatility of commodity prices, currency fluctuations, imprecision of reserve estimates, environmental risks, competition from other producers, inability to retain drilling rigs and other services, incorrect assessment of the value of acquisitions, failure to realize the anticipated benefits of acquisitions, delays resulting from or inability to obtain required regulatory approvals and ability to access sufficient capital from internal and external sources, reliance on key personnel, regulatory risks and delays, including risks relating to the acquisition of necessary licenses and permits, environmental risks and insurance risks.

You should not place undue importance on forward-looking information and should not rely upon this information as of any other date. While the Company may elect to, the Company is under no obligation and does not undertake to update this information at any particular time, except as required by law.

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 01/07/96 Origin: Appendix 5 Amended 01/07/98, 01/09/99, 01/07/00, 30/09/01, 11/03/02, 01/01/03, 24/10/05, 01/08/12

Name of entity

Solimar Energy Limited

ABN

42 112 256 649

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

- | | | |
|---|--|--|
| 1 | +Class of +securities issued or to be issued | <ol style="list-style-type: none">1. Fully paid ordinary Shares (Ordinary Shares)2. Unlisted Warrants |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | <ol style="list-style-type: none">1. 28,234,666 Ordinary Shares2. 28,234,666 Unlisted Warrants |
| 3 | Principal terms of the +securities (eg, if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | <ol style="list-style-type: none">1. Fully Paid Ordinary Shares2. Each Unlisted Warrant entitles the Holder to purchase one Ordinary Share at C\$0.05 (5 Canadian cents) for the first 12 month period after closing and C\$0.10 (10 Canadian cents) for the second 12 month period following closing |

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

4 Do the ⁺securities rank equally in all respects from the date of allotment with an existing ⁺class of quoted ⁺securities? If the additional securities do not rank equally, please state: • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment	1. Yes 2. N/A
5 Issue price or consideration	28,234,666 Ordinary Shares and 28,234,666 Unlisted Warrants were issued in exchange for 28,234,666 Units issued at a deemed price of C\$0.015 per Unit.
6 Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)	To raise funds to be used for exploration and development activities and general working capital.
6a Is the entity an ⁺eligible entity that has obtained security holder approval under rule 7.1A? If Yes, complete sections 6b – 6h <i>in relation to the ⁺securities the subject of this Appendix 3B</i>, and comply with section 6i	Yes
6b The date the security holder resolution under rule 7.1A was passed	30 November 2012
6c Number of ⁺securities issued without security holder approval under rule 7.1	14,167,999 Ordinary Shares 28,234,666 Unlisted Warrants

⁺ See chapter 19 for defined terms.

6d	Number of +securities issued with security holder approval under rule 7.1A	14,066,667 Ordinary Shares	
6e	Number of +securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)	Nil	
6f	Number of securities issued under an exception in rule 7.2	Nil	
6g	If securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the issue date and both values. Include the source of the VWAP calculation.	Issue Price was C\$0.015 Issue Date: 27 September 2013 15 day VWAP C\$0.013 (per TSXV trades for the 15 trading days prior to the issue date) 15 day VWAP A\$0.015 (per ASX trades for the 15 trading days prior to the issue date)	
6h	If securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements	N/A	
6i	Calculate the entity’s remaining issue capacity under rule 7.1 and rule 7.1A – complete Annexure 1 and release to ASX Market Announcements	Rule 7.1 19,191,531 Rule 7.1A 32,507,236	
7	Dates of entering +securities into uncertificated holdings or despatch of certificates	27 September 2013	
8	Number and +class of all +securities quoted on ASX (including the securities in section 2 if applicable)	Number	+Class
		502,240,359	Ordinary Shares

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

9	Number and ⁺ class of all ⁺ securities not quoted on ASX (<i>including</i> the securities in section 2 if applicable)	Number	⁺ Class
		3,000,000	Options (exercisable at \$0.0788 each expiring on 28 February 2015)
		13,900,000	Options (exercisable at \$0.18 each expiring on 1 July 2014)
		5,000,000	Options (exercisable at \$0.18 each expiring on 1 July 2014)
		3,200,000	Options (exercisable at \$0.1275 each expiring on 1 July 2014)
		41,332,874	Warrants (exercisable at C\$0.144 each expiring on 5 October 2014)
		9,000,000	Options (exercisable at C\$0.144 each expiring on 5 October 2014)
		14,000,000	Warrants (exercisable at C\$0.15 each expiring on 10 February 2014)
		56	Debentures (maturing 31 December 2013 and convertible at C\$0.10)
		6,111,111	Warrants (exercisable at C\$0.15 each expiring on 4 April 2015)
		5,000,000	Options (exercisable at \$0.1275 each expiring on 4 July 2016)
		80	Debentures (maturing 31 January 2014 and convertible at C\$0.10)
		20,000,000	Warrants (exercisable at C\$0.12 each expiring on 31 July 2015)
		10,500,000	Options (exercisable at C\$0.10 each expiring on 30 November 2015)
		1,500,000	Options (exercisable at C\$0.10 each expiring on 30 November 2015)
		28,234,666	Warrants (exercisable at C\$0.05 until 27 September 2014 and C\$0.10 until 27 September 2015 and expiring 27 September 2015)
10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	No dividend policy has been formulated by the Company at this stage.	

⁺ See chapter 19 for defined terms.

Part 2 - Bonus issue or pro rata issue

- | | | |
|----|---|--|
| 11 | Is security holder approval required? | |
| 12 | Is the issue renounceable or non-renounceable? | |
| 13 | Ratio in which the ⁺ securities will be offered | |
| 14 | ⁺ Class of ⁺ securities to which the offer relates | |
| 15 | ⁺ Record date to determine entitlements | |
| 16 | Will holdings on different registers (or subregisters) be aggregated for calculating entitlements? | |
| 17 | Policy for deciding entitlements in relation to fractions | |
| 18 | <p>Names of countries in which the entity has ⁺security holders who will not be sent new issue documents</p> <p><small>Note: Security holders must be told how their entitlements are to be dealt with.</small></p> <p><small>Cross reference: rule 7.7.</small></p> | |
| 19 | Closing date for receipt of acceptances or renunciations | |

⁺ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

20	Names of any underwriters	
21	Amount of any underwriting fee or commission	
22	Names of any brokers to the issue	
23	Fee or commission payable to the broker to the issue	
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of +security holders	
25	If the issue is contingent on +security holders' approval, the date of the meeting	
26	Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled	
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	
28	Date rights trading will begin (if applicable)	
29	Date rights trading will end (if applicable)	
30	How do +security holders sell their entitlements <i>in full</i> through a broker?	
31	How do +security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	

+ See chapter 19 for defined terms.

- 32 How do ⁺security holders dispose of their entitlements (except by sale through a broker)?
- 33 ⁺Despatch date

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

- 34 Type of securities
(tick one)
- (a) ☒ Securities described in Part 1
- (b) ☐ All other securities
Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

- 35 ☐ If the ⁺securities are ⁺equity securities, the names of the 20 largest holders of the additional ⁺securities, and the number and percentage of additional ⁺securities held by those holders
- 36 ☐ If the ⁺securities are ⁺equity securities, a distribution schedule of the additional ⁺securities setting out the number of holders in the categories
1 - 1,000
1,001 - 5,000
5,001 - 10,000
10,001 - 100,000
100,001 and over
- 37 ☐ A copy of any trust deed for the additional ⁺securities

⁺ See chapter 19 for defined terms.

Entities that have ticked box 34(b)

38	Number of securities for which +quotation is sought					
39	Class of +securities for which quotation is sought					
40	Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities? If the additional securities do not rank equally, please state: • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment					
41	Reason for request for quotation now Example: In the case of restricted securities, end of restriction period (if issued upon conversion of another security, clearly identify that other security)					
42	Number and +class of all +securities quoted on ASX (<i>including</i> the securities in clause 38)	<table border="1"><thead><tr><th>Number</th><th>+Class</th></tr></thead><tbody><tr><td></td><td></td></tr></tbody></table>	Number	+Class		
Number	+Class					

+ See chapter 19 for defined terms.

Quotation agreement

- 1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.
- 2 We warrant the following to ASX.
 - The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
 - There is no reason why those +securities should not be granted +quotation.
 - An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty
 - Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
 - If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.
- 3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.
- 4 We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.



Sign here:

Company Secretary

Date: 30 September 2013

Print name:

Chris Bowyer

+ See chapter 19 for defined terms.

Appendix 3B – Annexure 1

Calculation of placement capacity under rule 7.1 and rule 7.1A for +eligible entities

Introduced 01/08/12

Part 1

Rule 7.1 – Issues exceeding 15% of capital	
Step 1: Calculate “A”, the base figure from which the placement capacity is calculated	
Insert number of fully paid ordinary securities on issue 12 months before date of issue or agreement to issue	462,142,098
Add the following: • Number of fully paid ordinary securities issued in that 12 month period under an exception in rule 7.2 • Number of fully paid ordinary securities issued in that 12 month period with shareholder approval • Number of partly paid ordinary securities that became fully paid in that 12 month period <i>Note:</i> • <i>Include only ordinary securities here – other classes of equity securities cannot be added</i> • <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i>	3,596,936
Subtract the number of fully paid ordinary securities cancelled during that 12 month period	
“A”	465,739,034

+ See chapter 19 for defined terms.

Step 2: Calculate 15% of “A”	
“B”	0.15 <i>[Note: this value cannot be changed]</i>
Multiply “A” by 0.15	69,860,855
Step 3: Calculate “C”, the amount of placement capacity under rule 7.1 that has already been used	
Insert number of equity securities issued or agreed to be issued in that 12 month period <i>not counting</i> those issued: - Under an exception in rule 7.2 - Under rule 7.1A - With security holder approval under rule 7.1 or rule 7.4 Note: <i>This applies to equity securities, unless specifically excluded – not just ordinary securities</i> <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i> <i>It may be useful to set out issues of securities on different dates as separate line items</i>	50,669,324
“C”	50,669,324
Step 4: Subtract “C” from [“A” x “B”] to calculate remaining placement capacity under rule 7.1	
“A” x 0.15 <i>Note: number must be same as shown in Step 2</i>	69,860,855
Subtract “C” <i>Note: number must be same as shown in Step 3</i>	50,669,324
Total [“A” x 0.15] – “C”	19,191,531 <i>[Note: this is the remaining placement capacity under rule 7.1]</i>

+ See chapter 19 for defined terms.

Part 2

Rule 7.1A – Additional placement capacity for eligible entities	
Step 1: Calculate “A”, the base figure from which the placement capacity is calculated	
“A” <i>Note: number must be same as shown in Step 1 of Part 1</i>	465,739,034
Step 2: Calculate 10% of “A”	
“D” <i>Note: this value cannot be changed</i>	0.10
Multiply “A” by 0.10	46,573,903
Step 3: Calculate “E”, the amount of placement capacity under rule 7.1A that has already been used	
Insert number of equity securities issued or agreed to be issued in that 12 month period under rule 7.1A <i>Notes:</i> • This applies to equity securities – not just ordinary securities • Include here – if applicable – the securities the subject of the Appendix 3B to which this form is annexed • Do not include equity securities issued under rule 7.1 (they must be dealt with in Part 1), or for which specific security holder approval has been obtained • It may be useful to set out issues of securities on different dates as separate line items	14,066,667
“E”	14,066,667

+ See chapter 19 for defined terms.

Step 4: Subtract “E” from [“A” x “D”] to calculate remaining placement capacity under rule 7.1A	
“A” x 0.10 <i>Note: number must be same as shown in Step 2</i>	46,573,903
Subtract “E” <i>Note: number must be same as shown in Step 3</i>	14,066,667
Total [“A” x 0.10] – “E”	32,507,236 <i>Note: this is the remaining placement capacity under rule 7.1A</i>

+ See chapter 19 for defined terms.