



22 February 2016

PRO-RATA NON-RENOUNCEABLE RIGHTS ISSUE TO RAISE UP TO \$1.7 MILLION

Pura Vida Energy NL (**Pura Vida** or the **Company**) (ASX: PVD) is pleased to announce a pro-rata non-renounceable entitlement issue of fully paid ordinary shares in the capital of the Company (**New Shares**) on the basis of one (1) New Share for every three (3) existing Shares (**Offer**) held at the record date of Monday, 29 February 2016 (**Record Date**).

Shares under the Offer will be offered at \$0.027 per New Share. The maximum number of New Shares which may be issued under the Offer is approximately 63,251,274 to raise approximately \$1.7 million (before costs and fees). Eligible shareholders will also have the opportunity to apply for excess shares over and above their entitlement (**Excess Entitlement Facility**) under the Offer.

New Shares issued under the Offer will rank equally with existing shares and the Company will apply for official quotation of the New Shares.

Optionholders are not entitled to participate in the Offer without first exercising their options to be registered as a shareholder on the Record Date, in accordance with the terms and conditions of their options.

Partly paid shareholders are entitled to participate in the Offer pro-rata to the proportion of the total issue price paid (\$0.01) in accordance with the terms and conditions of the partly paid shares. Partly paid shareholders may have an additional entitlement should they pay in full (\$0.19) some or all of the partly paid shares prior to the Record Date.

Eligible shareholders who are entitled to participate in the Offer are those with a registered address in Australia, New Zealand and the United Kingdom (**Eligible Shareholders**).

An Appendix 3B, a notice under section 708AA(2)(f) of the Corporations Act and an offer document (**Offer Document**) in respect of the Offer accompany this announcement. The Company confirms it is in compliance with its continuous disclosure obligations.

The proposed timetable for the Offer is as follows:

Event	Date
Announcement of Offer, Offer Document, Appendix 3B and First Cleansing Notice	Monday, 22 February 2016
Notice sent to Security holders	Tuesday, 23 February 2016
Ex Date (date from which securities commence trading without the entitlement to participate in the Offer)	Thursday, 25 February 2016
Record Date (date for determining entitlements of Eligible Shareholders to participate in the Offer)	Monday, 29 February 2016

Offer Opens and Offer Document dispatched to Shareholders (expected date of dispatch of offer document, entitlement and acceptance forms)	Wednesday, 2 March 2016
Closing Date¹ 5.00pm (AWST)	Thursday, 24 March 2016
New Shares quoted on a deferred settlement basis	Tuesday, 29 March 2016
ASX notified of undersubscriptions	Thursday, 31 March 2016
Issue Date² Second Cleansing Notice lodged with ASX (under section 708A(5))	Monday, 4 April 2016
Dispatch Holding Statements²	Tuesday, 5 April 2016

¹ Subject to the ASX Listing Rules, the Directors reserve the right to extend the Closing Date for the Offer at their discretion. Should this occur, the extension will have a consequential effect on the anticipated date of issue for the Securities.

² Dates are indicative only.

The Company intends to apply the funds raised from the Offer towards exploration expenditure (including new ventures), costs and fees associated with this Offer and working capital.

Hartleys Limited (**Hartleys**) is the Lead Manager to the Offer and Advantage Management Pty Ltd (**Advantage**) is the Co-Manager to the Offer. Hartleys and Advantage will receive fees of 6% of the amount raised under the Offer and Shortfall from investors introduced by them (excluding GST) to be settled in cash or script. The Company has granted Advantage and Hartleys a first right of refusal to place any Shortfall in the Offer. In the event that a minimum of \$500,000 of the Shortfall is not available to be placed to Advantage, they will be entitled to a 'top up' placement which is capped at \$500,000 subject to the Company obtaining shareholder and regulatory approval. Further detail regarding the arrangements with Hartleys and Advantage are outlined in Sections 1.11 and 1.12 of the Offer Document.

For further information regarding the Offer, contact the Company Secretary, Dennaë Lont on (08) 9226 2011.

Cleansing Notice under section 708AA(2)(f) of the Corporations Act 2001 (Cth)

This notice is given by Pura Vida Energy NL (ASX: PVD) (ABN 11 150 624 169) (**Pura Vida** or the **Company**) under section 708AA(2)(f) of the *Corporations Act 2001* (Cth) (the **Act**) as notionally modified by the Australian Securities and Investments Commission Class Order [CO 08/35].

The Company advises that:

- (a) the New Shares will be offered for issue without disclosure under Part 6D.2 of the Act;
- (b) the notice is being given under section 708AA(2)(f) of the Act;
- (c) as at the date of this notice, Pura Vida has complied with:
 - (i) the provisions of Chapter 2M of the Act as they apply to the Company; and
 - (ii) section 674 of the Act;
- (d) as at the date of this notice, there is no excluded information of the type referred to in sections 708AA(8) and 708AA(9) of the Act; and
- (e) the potential affect the Offer will have on the control of the Company is as follows:
 - (i) if all Eligible Shareholders take up their entitlements under the Offer, then the Offer will have no effect on the control of the Company;
 - (ii) in the event that all Eligible Shareholders do not participate in the Offer, any Eligible Shareholder that fails to take up their entitlement for New Shares under the Offer will have their percentage holding in the Company diluted by those other Eligible

Shareholders who take up some, all or more than their entitlement under the Excess Entitlement Facility, or by participants in the Shortfall as follows:

- (A) Eligible Shareholders who have applied for their full entitlement of New Shares under the Offer will be offered an opportunity to apply for further shares in excess of their entitlement (**Excess Shares**) under the Excess Entitlement Facility. Excess Shares will only be available under the Excess Entitlement Facility if all Eligible Shareholders have not taken up their full entitlements under the Offer.

If some Eligible Shareholders do not take up their full entitlement, resulting in a shortfall (**Entitlement Shortfall**), and one or more of the Eligible Shareholders applies for Excess Shares under the Excess Entitlement Facility, then the voting power in Company of those Eligible Shareholders who apply for Excess Shares will increase. The amount of that increase will depend on the size of the Entitlement Shortfall, the number of Excess Shares applied for by Eligible Shareholders under the Excess Entitlement Facility and the amount of the Entitlement Shortfall that is allocated to applicable Eligible Shareholders. Refer Section 1.9 of the Offer Document for details of the Excess Entitlement Facility.

- (B) To the extent that any shortfall remains after allocation of Excess Shares to Eligible Shareholders under the Excess Entitlement Facility (**Shortfall**), the Directors (at their discretion) may offer any Shortfall to other investors in accordance with the ASX Listing Rules and Corporations Act.

The Company does not anticipate that the placement or non-placement of the Shortfall by the Directors will have any material effect on the control of the Company, and does not expect there to be any consequences for shareholders other than a normal dilutionary effect in respect of shareholders who do not accept their entitlement.

Refer to Section 1.10 of the Offer Document for details of the Shortfall.

- (iii) the proportional interests of shareholders who are not Eligible Shareholders will be diluted because such shareholders are not entitled to participate in the Offer;

having regard to:

- (iv) the composition of the Company's share register; and
(v) the terms of the Offer,

Pura Vida does not believe that any person will increase their voting power in the Company pursuant to the Offer in a way that will have any material impact on the control of the Company.

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