

31 January 2014

RIGHTS ISSUE SHORTFALL NOTICE

Peak Oil & Gas Limited (“Peak”) (ASX: PKO) refers to its two (2) for five (5) fully underwritten, non-renounceable pro rata rights issue announced to the market on 15 November 2013 (“Rights Issue”).

This notice is given in accordance with Appendix 7A of the ASX Listing Rules.

The Directors of Peak are pleased to announce that the Rights Issue closed on 24 January 2014 and will raise a total of \$1,943,580.00 (before costs and expenses and subject to receipt of subscription monies from the underwriter).

Peak received valid acceptances for 51,909,316 new shares at a total price of \$0.01 per share. The total shortfall under the Rights Issue was 142,448,684 new shares (“Shortfall Shares”). 142,448,684 Shortfall Shares will be allocated to Octanex N L (“Octanex”) in accordance with the Company’s agreement to fully underwrite the Rights Issue.

The allotment and issue of new shares to accepting shareholders will occur on 31 January 2014. Holding statements for the new shares will be dispatched shortly thereafter. Allotment and issue of new shares to the underwriter will occur on or before 13 February 2014.

Net proceeds from the Rights Issue will be applied as described in the Rights Issue document lodged with ASX on 31 December 2013.

The Directors of Peak would like to express their thanks for the support provided by participants in the capital raising.

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