
***Large undeveloped oil position provides the platform for significant value generation***

AUSTRALIS
OIL & GAS

# Equity Raising Presentation

*March 2018*

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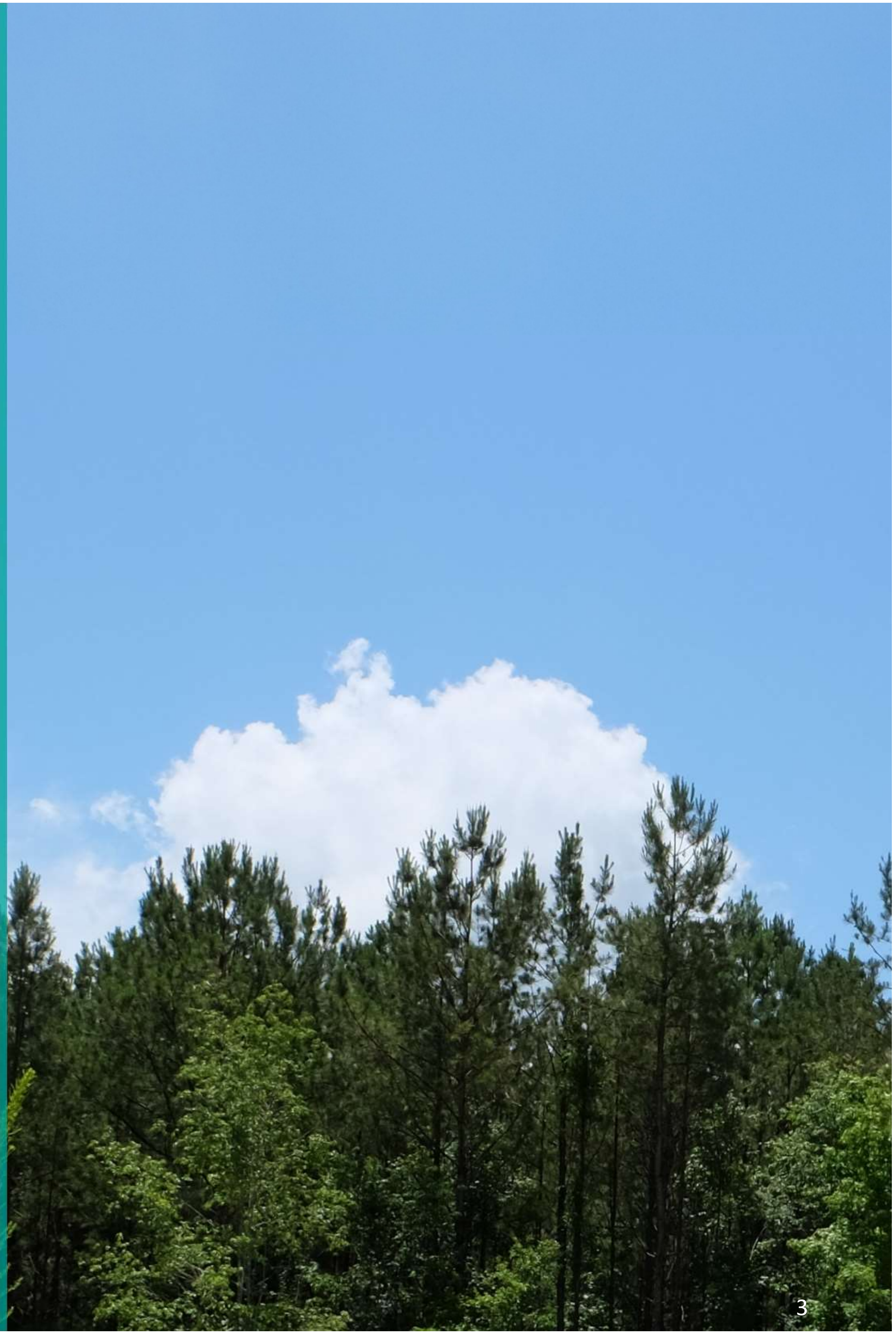
**Transaction Overview**

Australis Oil & Gas Overview

Tuscaloosa Marine Shale (TMS)

Portugal

Appendix



# Financing Transaction Overview & Timetable

## Australis to raise A$39.2 million through a private placement to existing and new investors

- Australis to raise A$39 million (US$31 million(A)), before costs of the issue, through a private placement to institutional and sophisticated investors of 115.28 million new ordinary shares at A$0.34 per share (5.6% discount to the closing price on 16 March 2018)
- The significantly oversubscribed issue is not underwritten and has been strongly supported by both existing shareholders and new investors
- Funds raised from the equity placement will be used to finance the commencement of drilling in Australis' TMS acreage in the second half of 2018
- In addition to the placement, Australis is investigating additional funding sources to assist in the financing of TMS drilling activities
  - The equity funds raised will assist with securing better terms with potential financiers
- Initial sites have been identified for a drilling program of 4 to 10 wells within the TMS core, with initial wells expected to be spud in the second half of 2018
- Australis currently has no debt and pro-forma cash following placement settlement (net of issue costs) of US$47 million

### Indicative Financing Timetable

| | |
|---|---|
| Trading Halt | Pre open ASX trading 19 March 2018 |
| Australian and international offer opens | 10:00 am (AEDT), Tuesday 20 March 2018 |
| Deal Roadshow (Australia) | Tuesday 20 – Wednesday 21 March 2018 |
| Australian and international offer closes | 5pm (AEDT), Wednesday 21 March 2018 |
| ASX announcement of Placement and return to trading | Thursday 22 March 2018 |
| Settlement Date | Thursday 29 March 2018 |
| Allotment Date | Tuesday 3 April 2018 |

(A) AUD:USD exchange rate of 0.78 (March 2018)

# Australis Indicative Capital Structure

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## Indicative capital structure following equity placement

| Shares and Options | Shares (millions) | Options (millions)[A] | Ownership % | |
|---|---|---|---|---|
| | | | Pre options | Post Options |
| *On Issue:* | | | | |
| - Directors & Management | 100.2 | 88.0 | 11.2% | 18.9% |
| - Existing Shareholders | 678.4 | 14.6 | 75.9% | 69.5% |
| *Placement* | | | | |
| - New Shares[B] | 115.3 | - | 12.9% | 11.6% |
| **Total** | **893.9** | **102.6** | **100%** | **100%** |

**Notes:**

(A) Exercise price of options ranges from A$0.25 to A$0.40 and are set out in detail in the Appendix

(B) For the purposes of this indicative capital structure, it is assumed that Australis issues 115.28 million shares (under its 15% placement capacity pursuant to ASX Listing Rule 7.1)

# Investment Highlights

## Positioned for significant value accretion

| | |
|---|---|
| **Operator of Quality Assets** | ▪ Largest acreage holder in the 'core' of the Tuscaloosa Marine Shale (TMS)<br>▪ TMS oil production per well similar to the best areas within US shale such as Eagle Ford<br>▪ Robust TMS production with 4 million bbls (valued at US$80MM NPV10) PDP + PDNP Reserves[1]<br>▪ TMS is liquids rich (>95% oil) |
| **Significant Upside** | ▪ Significant reserves portfolio[1]: 1P - 29 MMbbl and 2P - 47 MMbbl<br>▪ 2C Contingent Resource: TMS of 98 MMbbl oil[1] and Portugal of 458 Bcf[2]<br>▪ 95,000 net acres equates to 350 future economic net TMS well locations each with base case NPV10 of US$6.5MM[A]<br>▪ Further upside: well downspacing, production improvements and lower costs per well, consistent with other prolific plays onshore USA |
| **Proven Execution Capability** | ▪ Board and management were the founders and key executives of Aurora Oil & Gas<br>▪ Experienced in identifying, developing, operating, funding and monetising oil & gas assets<br>▪ Proven track record in building shareholder value (Aurora A$0.20/share to A$4.20/share) |
| **Disciplined Capital Management** | ▪ Operatorship provides control and flexibility over capital deployment<br>▪ Primary focus on strong liquidity and balance sheet<br>▪ Cash of US$17 million (US$47 million post placement) and positive field cashflow<br>▪ Development optionality |
| **Pathway to Shareholder Value** | ▪ ATS leases a large strategic acreage position in the productive core with 145 million bbls of recoverable oil in ground[3] which the most recent reserves report demonstrates is economic to develop at current oil price.<br>▪ Portugal acreage contains large discovered and tested gas accumulations in a country importing 100% of its oil and gas needs |

A): at US$65/bbl WTI and $11m Capex,EUR of 656 Mboe

# Company Snapshot

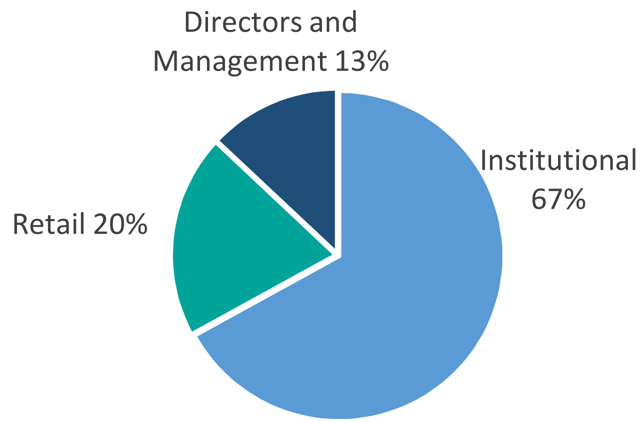
**Australis has existing reserves, production and revenue, no debt and a strong institutionally dominated register with significant capital contribution from Board & Management**

- Founded in 2014, listed on the ASX in July 2016
- Executing on strategy of securing an inventory of future well locations, at an accretive purchase price, which have strong economics and upside
- Built a material position in the TMS through acquisitions and an active leasing program in 2016 and 2017 with independent reserves[1] as follows:
  - 1P Reserves: 29 MMbbl
  - 2P Reserves: 47 MMbbl
  - 3P Reserves: 60 MMbbl
  - 2C Resources: 98 MMbbl
- Gas discovery in Portugal - 458 Bcf 2C Contingent Resource[2]
- Strong balance sheet and cash flow
  - Net cash of US$17 million (US$47 million post placement)
  - Free cash flow from production and discretionary capex
- Focus for next 6 months
  - Further consolidate land position – acreage and term
  - Source additional funding for TMS drilling program to reinforce TMS economics and add to HBP position

## Capital Structure – pre placement

| | |
|---|---|
| Ordinary Shares[A] | 779 million |
| Share Price at 16 March 2018 | A$0.36 |
| Market Capitalization at 16 March 2018 | A$280 million |
| Total Cash (31 Dec 17)[B] | A$22 million |
| Total Debt at 16 March 2018 | Nil |
| **Enterprise Value** | **A$258 million** |

## Share Register Composition (16 March 2018)



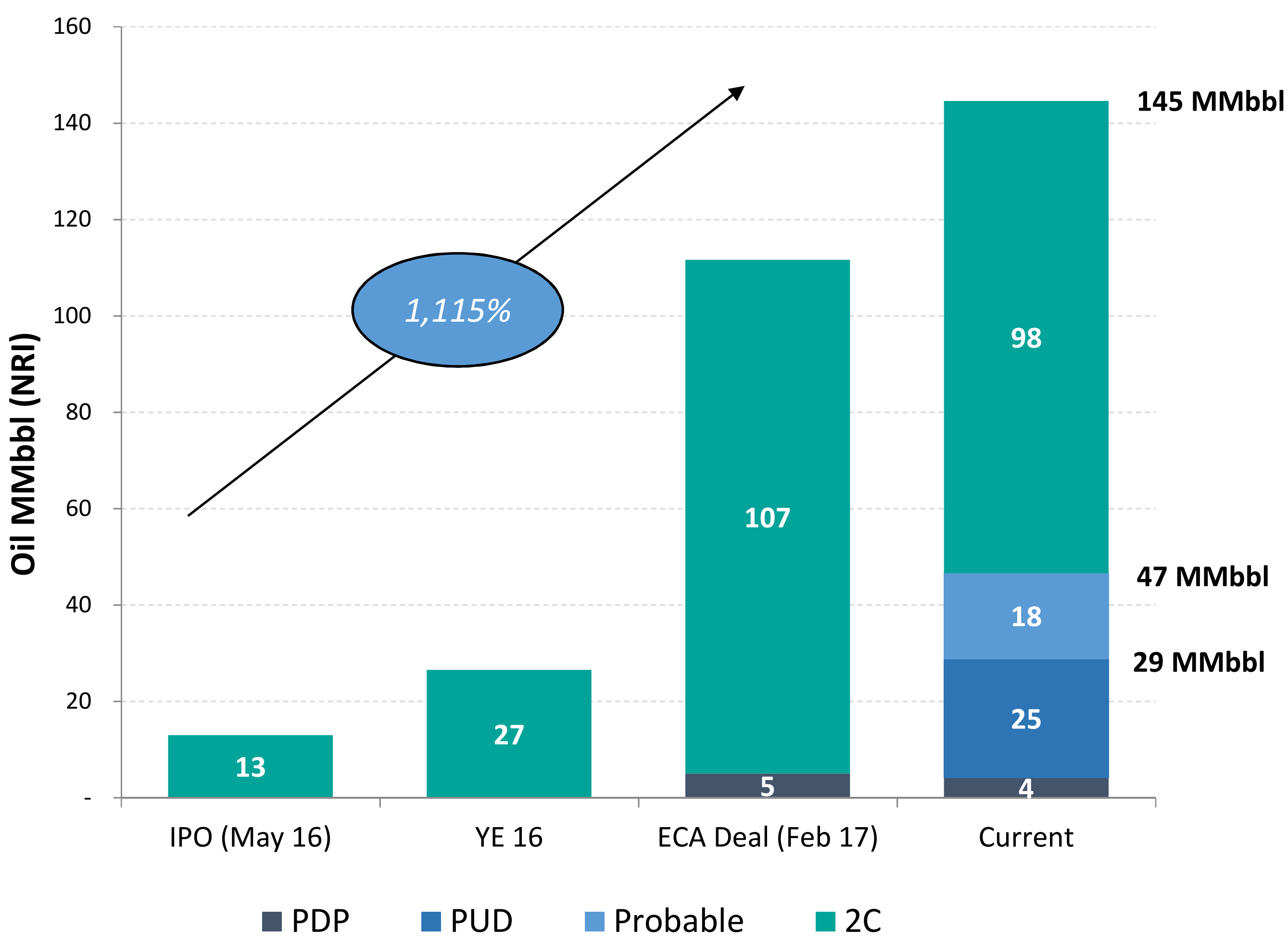

A. Excludes 103 million options (an average strike price of A$0.30)
B. Exchange Rate $0.78 AUD/USD

# TMS Reserves and Resources

## 1P net oil reserves of 29 million barrels and 2P net oil reserves of 47 million barrels

- Australis business strategy to accumulate 'oil in the ground' through the lower oil prices is clearly shown by the > 1,000% growth in 2C + 2P since IPO
- Decision to assess development for YE17 update
- Considered approximately 35% of acreage with modest development program within proscribed 5 year timeframe
- Converted in excess of 40 MMbbls to proved or probable reserve category and all locations reviewed were deemed commercial

### Evolution of TMS Reserves and Resources (NRI Oil)



# Directors & Management

## Demonstrated track record in oil & gas

### Jon Stewart –Chairman

- >25 years in the upstream oil and gas industry
- Founder and former Chairman and CEO of Aurora Oil & Gas
- Founder & Director of Dana Petroleum and EuroSov Petroleum PLC (CEO) (1999 merger with Sibir Energy PLC - MD)
- EY 2014 Australian Entrepreneur of the Year – Listed Company Category
- Qualified Chartered Accountant

### Graham Dowland – CFO & Finance Director

- >25 years experience in the oil and gas industry
- Founding and former Finance Director of Aurora Oil & Gas
- Former Executive Director of Hardman Resources NL
- Former Finance Director of EuroSov Petroleum PLC and Sibir Energy PLC
- Qualified Chartered Accountant

### Ian Lusted – Managing Director & CEO

- >25 years in the upstream oil & gas industry
- Former Technical Director of Aurora Oil & Gas
- Founder of Leading Edge Advantage, an advanced drilling project management consultancy
- Founder and Technical Director Cape Energy, a private equity backed oil and gas company
- Drilling engineer / supervisor at Shell International

### Alan Watson – Non-Executive Director

- 30 years previous experience in international investment banking
- Former Non Exec Director of Aurora Oil & Gas
- Chairman of Pinnacle Investment Management Group Limited (ASX:PNI)

### Michael Verm – Chief Operating Officer

- 36 years experience in the oil & gas industry
- Petroleum Engineer
- Former COO of Aurora Oil & Gas
- Former President and Managing Director of Kerr-McGee China Petroleum

### Steve Scudamore – Non-Executive Director

- Over 3 decades experience in Corporate Finance with KPMG Australia, London and PNG
- Senior roles with KPMG include Chairman (WA) and National head of valuations
- Former Non Exec Director of Aquila Resources
- Non Executive Director at Altona Mining

Transaction Overview

Australis Oil & Gas Overview

$\boxed{\text{Tuscaloosa Marine Shale (TMS)}}$

Portugal

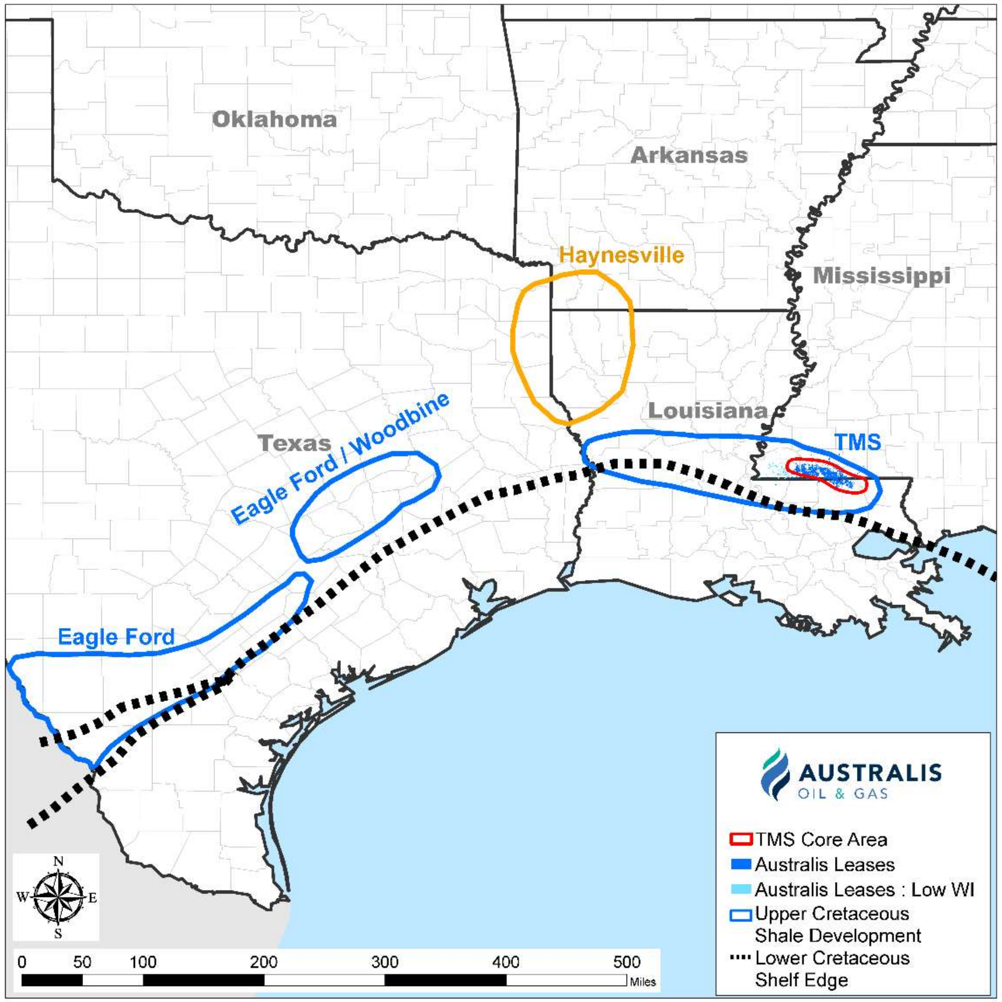
Appendix

# What is the TMS?

**The TMS is an emerging shale play. The "Core" is comparable with other prolific shale plays in the US**

- Onshore basin - Louisiana and Mississippi
- On trend with Eagle Ford Basin in Texas, similar depositional history and age
- 80 horizontal wells have been drilled 2010 to 2014 and have delineated the Core Area
- Performance from the early drilled wells was variable and unusually binary. Either in or outside of the core area
- The most recent wells have been drilled in the core of the TMS (within Australis' acreage) in 2014. They have demonstrated consistently high oil productivity and downward trending well costs

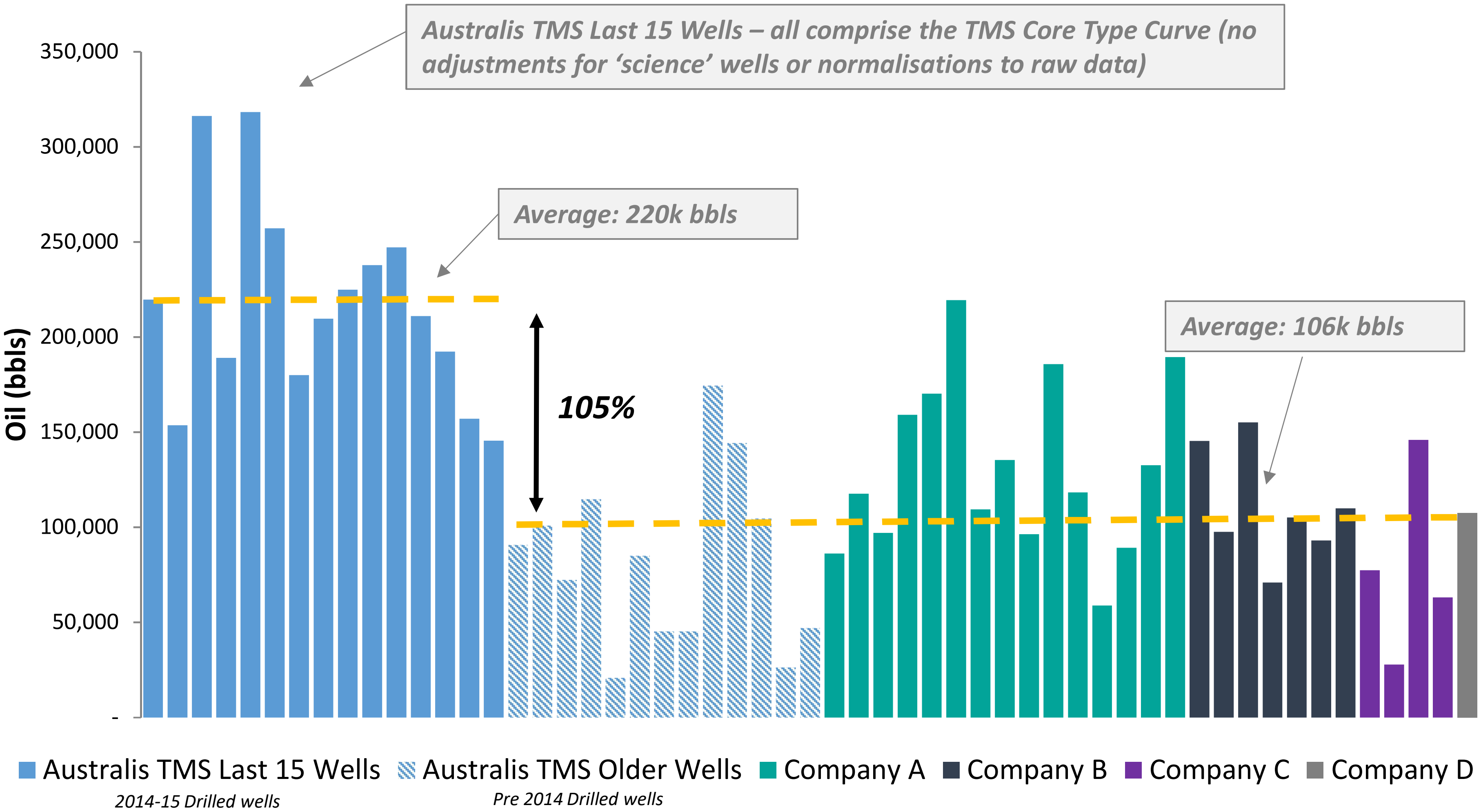
## TMS Location



# Australis TMS Well Performance

**The last 15 wells drilled within Australis' core acreage demonstrate significantly higher average productivity than the average of other TMS wells drilled in Mississippi**

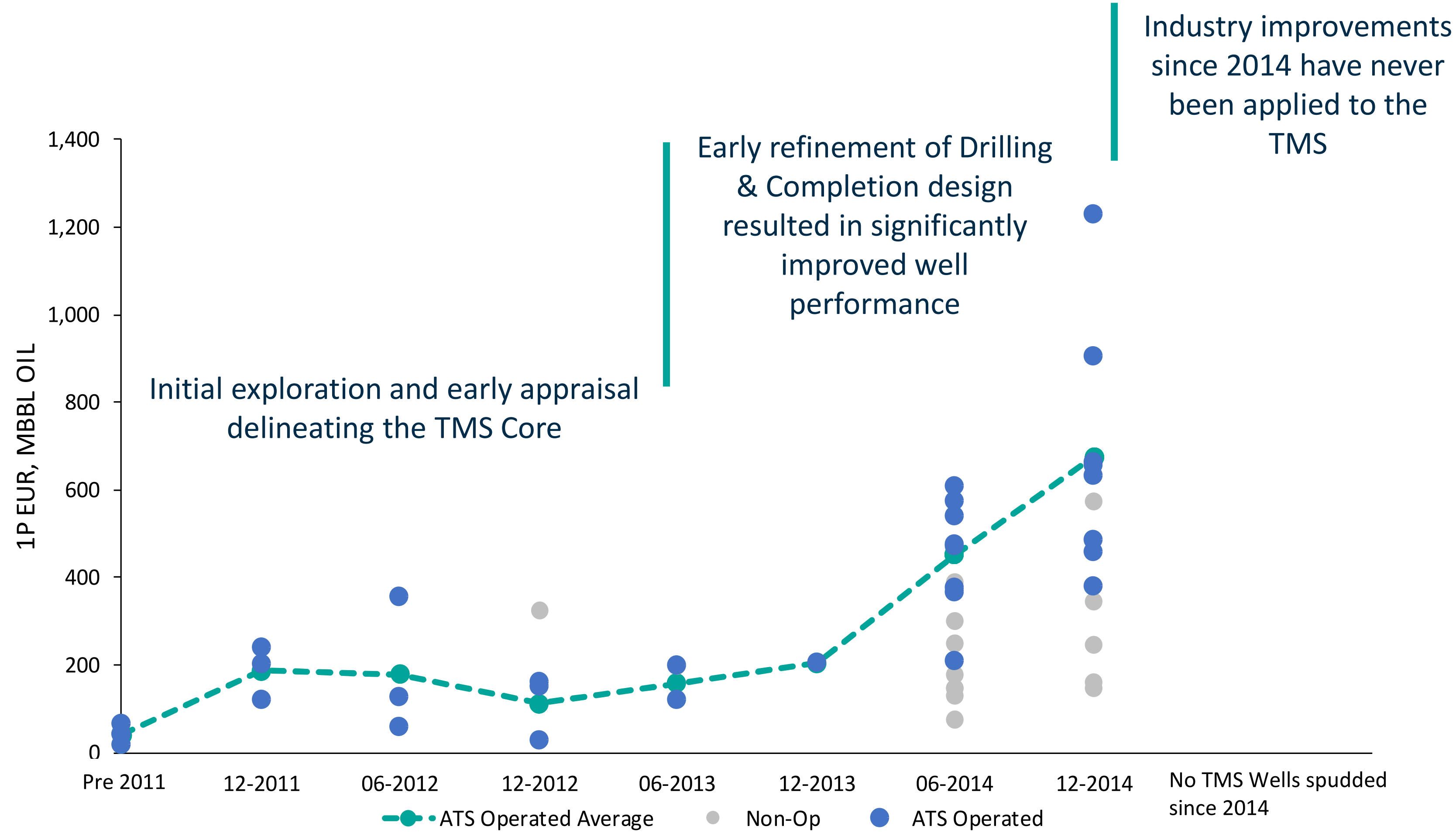
### Individual 24 Month Cumulative Production Per Well – TMS Mississippi[4,5]



# TMS Oil Productivity Improvement Over Time

**Following initial delineation of the TMS Core, the early refinement of Drilling and Completion design resulted in significantly improved well performance**

Ryder Scott 1P EUR for Australis TMS wells by Spud Date*

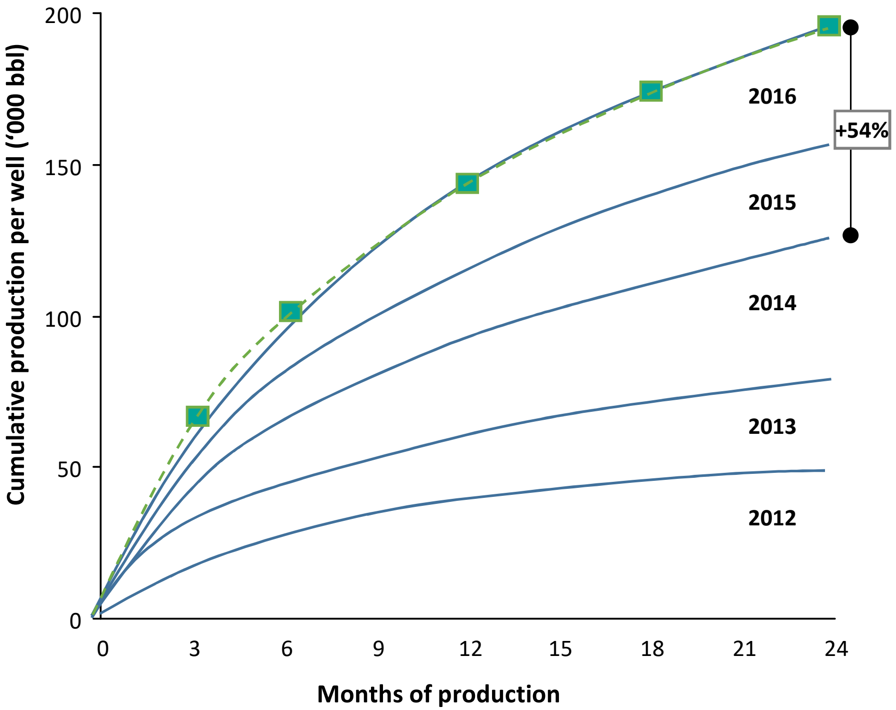



* 1P EUR per well as per Ryder Scott Reserves Report[1]. All calculation of averages and graphical representation by Australis.

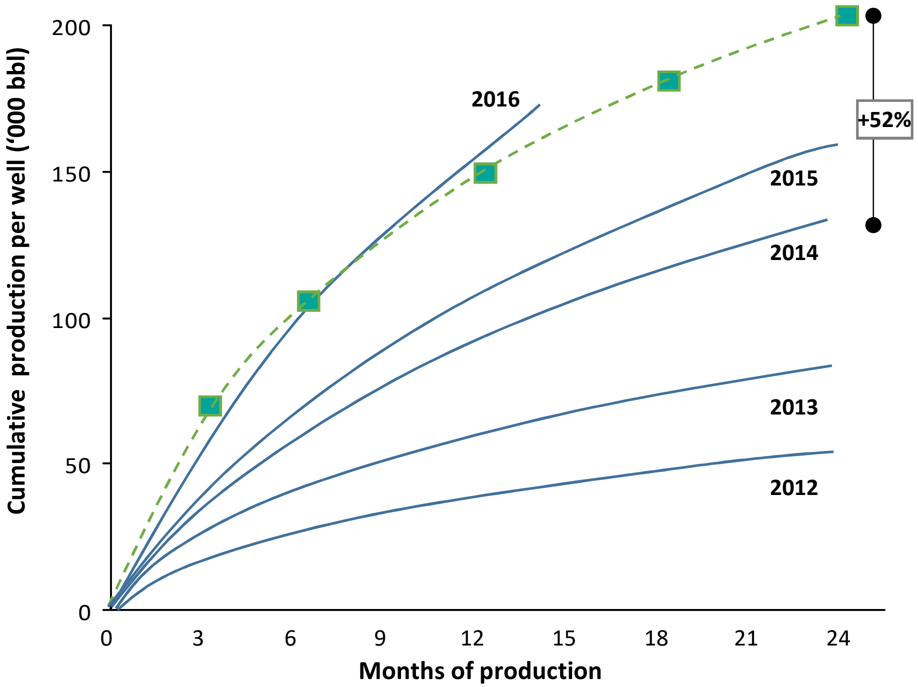
# TMS Oil Productivity Compared to Permian

**The average production from Australis' TMS wells drilled in 2014 are significantly higher than Permian wells drilled at the same time. Industry improvements since 2014 have never been applied to the TMS**

## Midland Basin




## Delaware Basin




*ATS history matched TMS Core Type Curve (see appendix)*

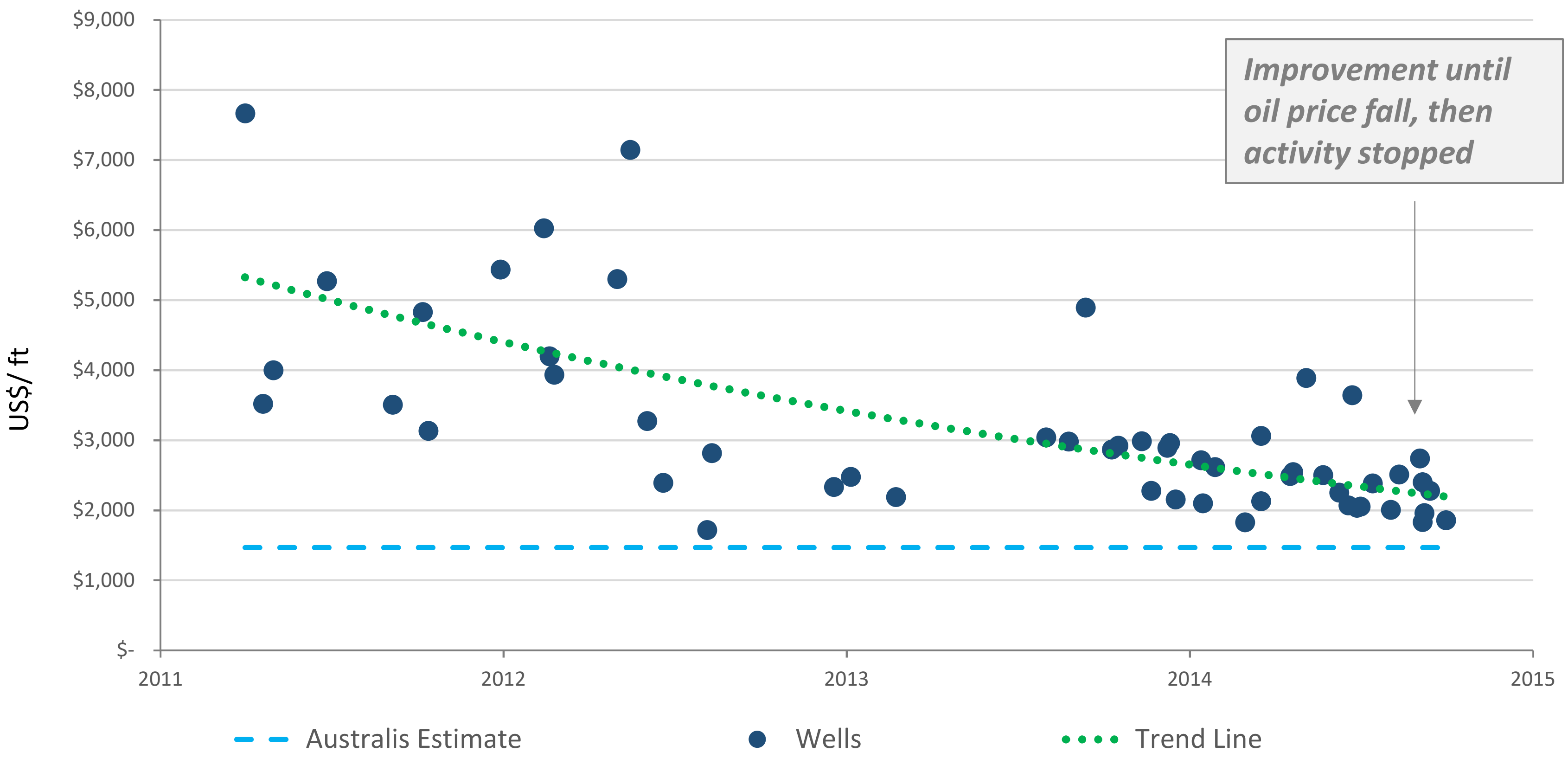
Source: Pioneer Natural Resources, Morgan Stanley, Australis Oil & Gas

# Capital Cost Profile of Early TMS Wells

## Well costs have trended downwards over time in line with other plays

- Australis conservative well cost estimate – US$11MM for a single well (US$1,467/ft)[6]
- Other play participants quoted US$8.7MM[7]
- No TMS wells have been drilled in the current lower cost environment (i.e. post 2014)

### TMS total well costs 2011 - 2014[6]

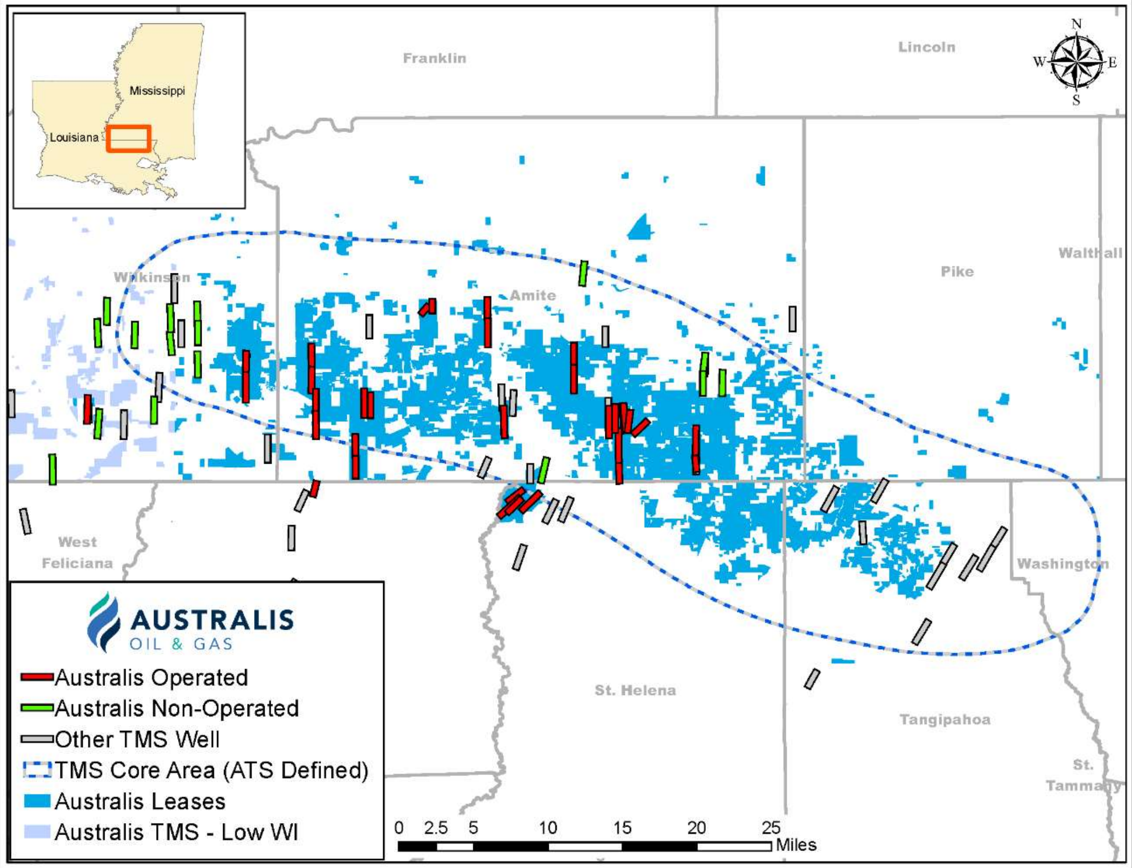


# Australis TMS Land Position

**Australis holds a dominant land position within the core of the TMS, with significant undeveloped oil**

| Australis TMS as at 31 December 2017 | |
|---|---|
| **Reserves[1]** | **Net Oil** |
| PDP | 4 million bbls<br>US$80 million (NPV10) |
| 1P Reserves | 29 million bbls |
| 2P Reserves | 47 million bbls |
| 3P Reserves | 60 million bbls |
| **Resources[1]** | |
| 2C Resources | 98 million bbls |
| **Strategic Position** | **Net Acres** |
| HBP | 27,600 acres |
| Total Core Area[10] | 95,000 acres |
| Future Net Well Locations[A] | 350 |
| Single Well EUR | 656,000 bbls |

**Australis TMS Position**




*Future wells economic at current oil prices without any assumed productivity improvements*

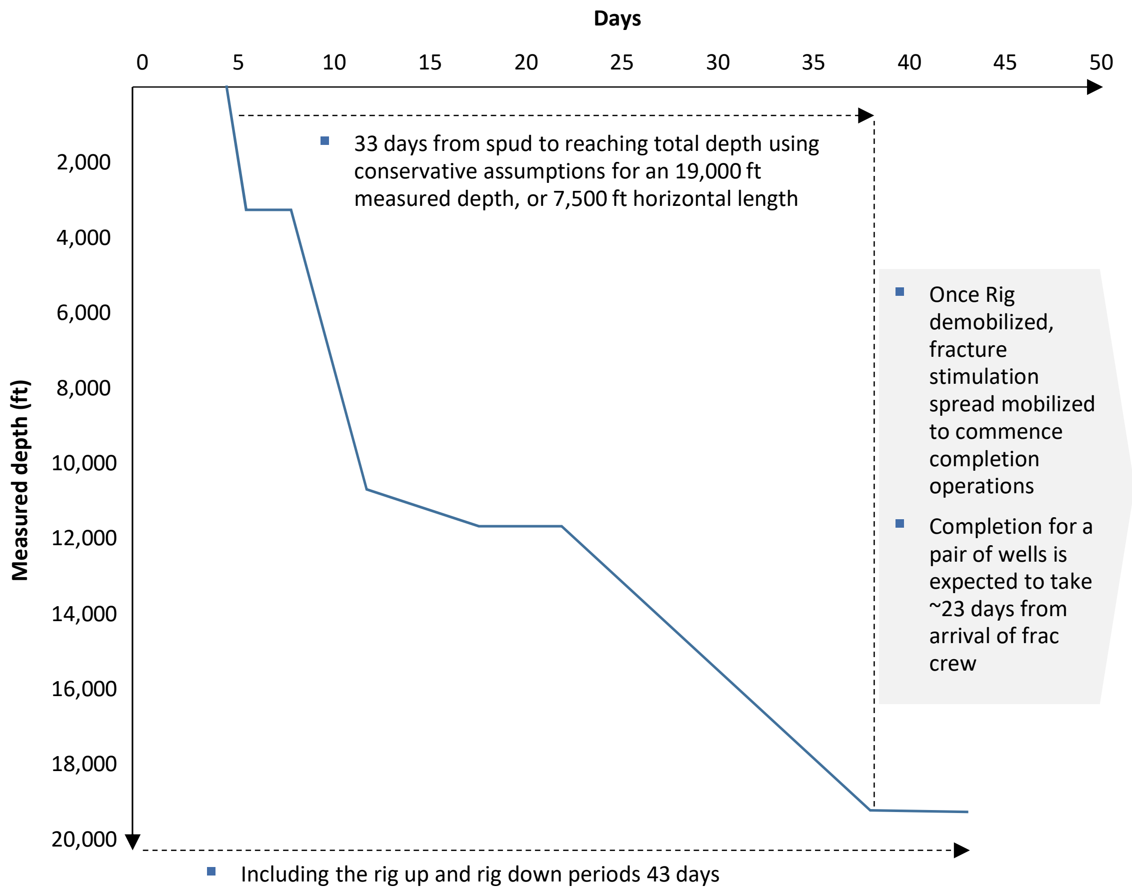
(A) 250 acre spacing, based on 95,000 net acres

# Drilling Program

## Australis is planning to commence an initial program of 4 to 10 wells to commence in 2H 2018

- Sites have been identified for a drilling program of 4 to 10 wells within the TMS core
- Commenced the process of permitting drilling locations in Mississippi
- Procurement processes well underway with suppliers and contractors
- Initial wells will be drilled in pairs from the same surface pad, reducing some of the rig move time/costs
- Opportunity to drill top holes using cheaper spudder rig ahead of main rig deployment and subsequent intermediate/production hole sections will be batch drilled.
- Wells will be stimulated and commence production in pairs once drilling activity is completed
- Surface facilities will be shared between the wells on a surface pad with many elements installed before operations commence
- The well depths vary but the TMS core area is between 11,200 to 12,200 ft vertical depth
- Horizontal lengths vary depending on unit size with the base case 7,500 ft

### Single Well Drilling & Completion Summary



# Financing the Initial Drilling Program

## Several potential financing alternatives are under assessment

- A disciplined approach to capital management is being applied to the evaluation and negotiation of the potential financing alternatives available. Australis aims to appropriately balance:
  - Maximising the committed level of funding and its availability whilst optimising the duration of any debt facility
  - The flexibility of terms including security provisions and covenants
  - Minimising the cost to access, use and refinancing the initial debt funding
- Financing alternatives under assessment include, but are not limited to:
  - A high yield unsecured bond issue in the Nordic market
  - Reserve based lending (RBL)
  - Senior Secured Term loan
  - DrillCo financing[A]
  - Farm-out to an industry partner in return for a carried drilling program
- A summary of likely terms for the types of debt financing alternatives are described in the appendix
- The progress of the evaluation and negotiation of these alternative is at various stages:
  - Certain discussions have progressed to provisional due diligence and the negotiation of indicative terms
  - Other engagements are at an exploratory stage
  - No alternative is currently near completion of binding documentation or approved by either the potential financiers or Australis
  - Potential financiers include international financial institutions with significant experience and track record in the oil and gas industry. Discussions are not sufficiently advanced to warrant further disclosure at this stage
- It is possible that several of the above potential financing alternatives will be combined to fund the initial and ongoing drilling program

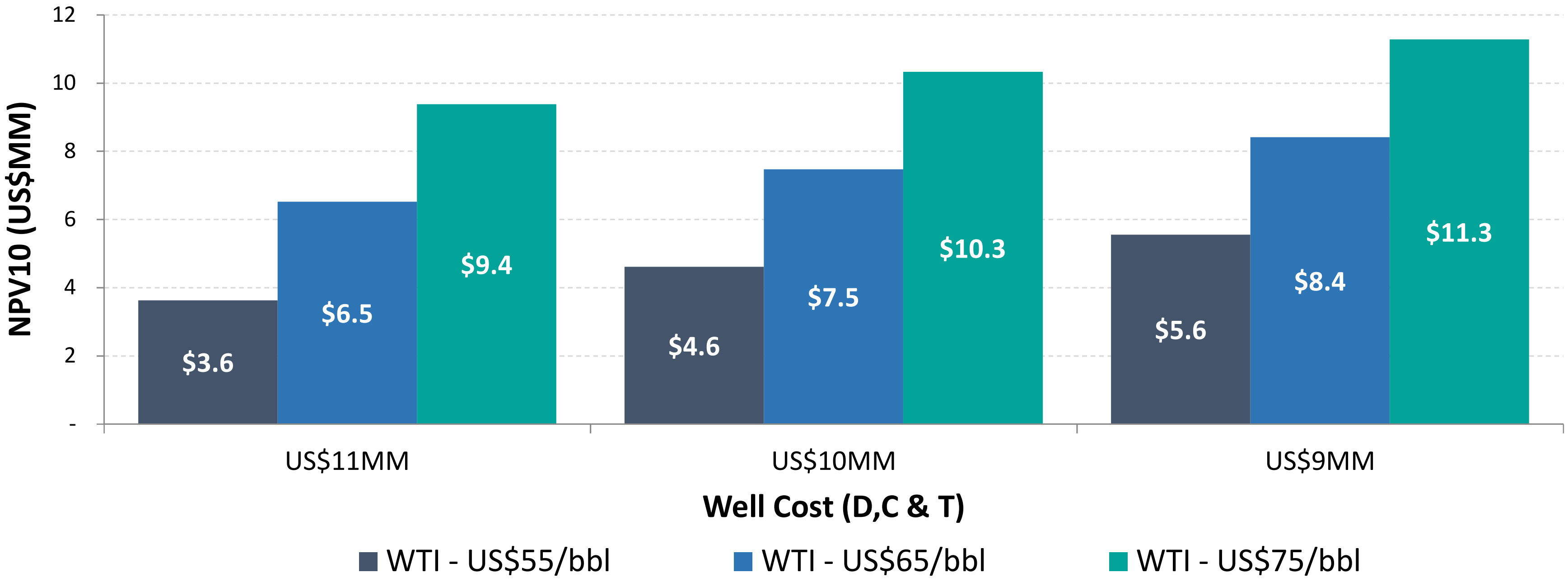
*There is no guarantee that any of the above financing alternatives will be finalised*

A. DrillCo – means a structure whereby a financing partner funds the drilling of one or more individual wells for a priority production return from the well(s) until the pre-agreed coupon return is achieved and thereafter the return is either capped or is a reduced share of production.

# Single Well Economics – TMS Core Base Type Curve*

**The TMS Core is highly profitable at current oil prices and current single well cost estimates without assumed productivity improvements, batch drilling or economies that come with development scale**

## Single Well Economics and Sensitivities




## Project IRR (per well)

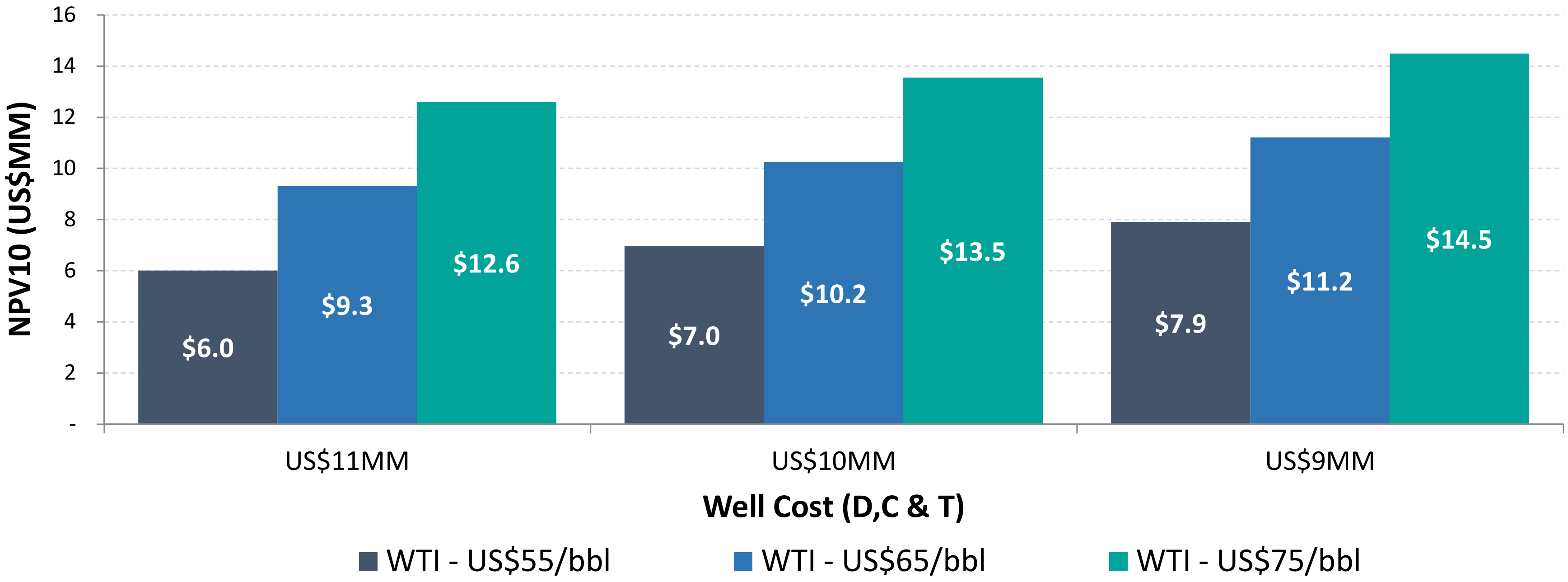
| IRR (%) | Well Cost – US$11MM | Well Cost – US$10MM | Well Cost – US$9MM |
|---|---|---|---|
| WTI - $55/bbl | 24% | 30% | 39% |
| WTI - $65/bbl | 37% | 47% | 60% |
| WTI - $75/bbl | 53% | 66% | 84% |

*Base Case Type Curve averages last 15 wells – see Appendix. Prices and costs escalated at 2% p.a

# Single Well Economics – TMS Productivity Upside[8]

**Significant productivity improvements seen across the industry since the last TMS wells were spudded, averaging 22% uplift across 10 resource plays[9]**

## Single Well Economics and Sensitivities – Assumed 15% Production Improvement




## Project IRR (per well)

| IRR (%) | Well Cost – US$11MM | Well Cost – US$10MM | Well Cost – US$9MM |
|---|---|---|---|
| WTI - $55/bbl | 35% | 43% | 56% |
| WTI - $65/bbl | 52% | 65% | 84% |
| WTI - $75/bbl | 74% | 92% | 117% |

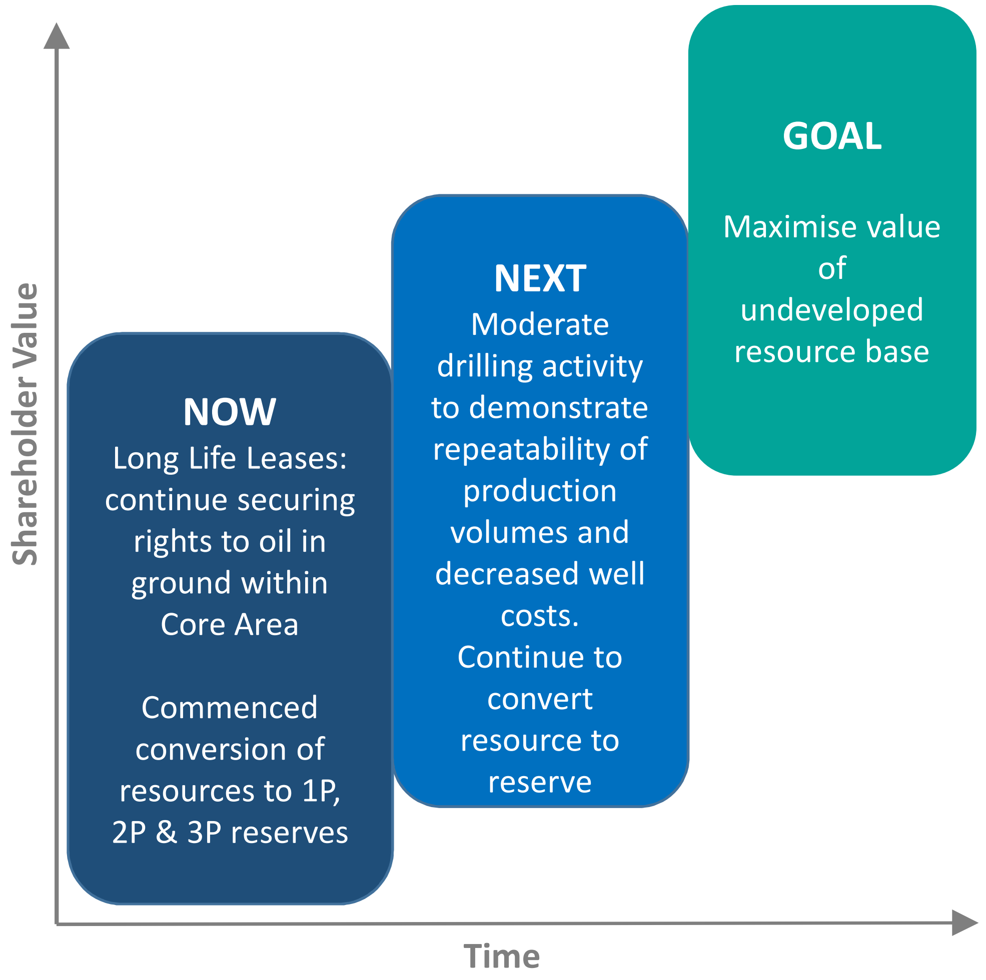
# Pathway to Value

**TMS Core acreage has significant upside with multiple catalysts to create and increase value**

## Value Catalysts

| | |
|---|---|
| **Oil Price** | ▪ Likely to continue to recover as the global supply market rebalances |
| **Well Cost Reductions** | ▪ Continued refinement in design based on practice improvements over last 3 years<br>▪ Well locations and design optimized & economies of scale in full field development<br>▪ Optimised design never implemented in existing cost environment |
| **Well Performance** | ▪ Type curves based on historical average well productivity only - EUR<br>▪ Technology improvements over last 3 years not yet trialled in TMS |
| **Well Spacing** | ▪ 250 acres per well is only 8% oil-in-place recovery<br>▪ Potential for higher recovery, Eagle Ford acre spacing of 20-60 acres per well and up to 30% recovery |
| **Additional Core Acreage** | ▪ Additional TMS Core acres held but not included in analysis |

## Growth Strategy



# Portugal Concessions Overview

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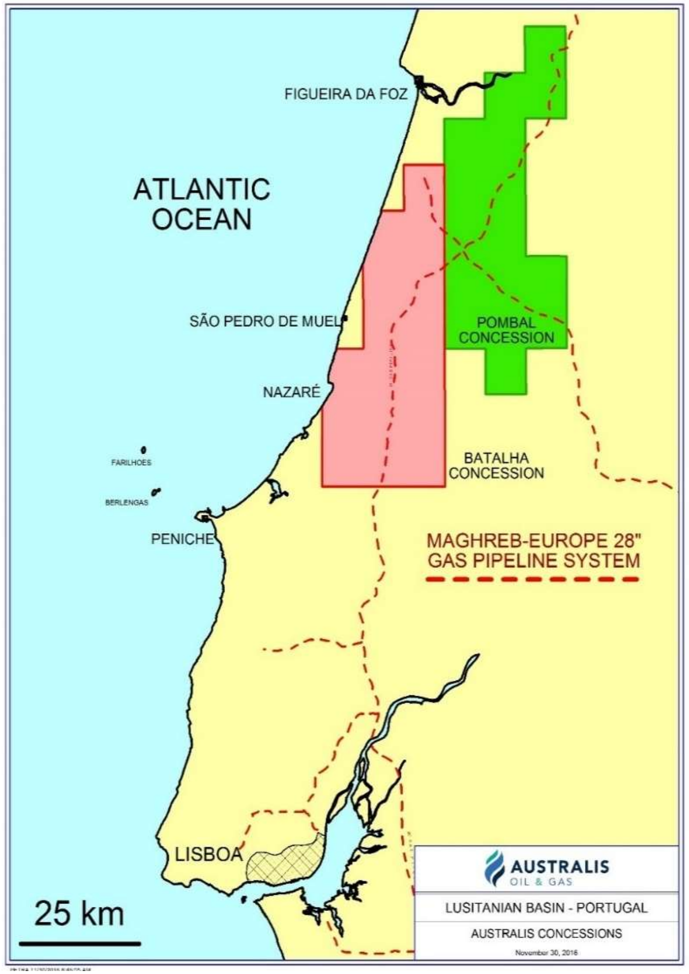
**Australis owns two concessions onshore Portugal with significant development potential**

## Asset Highlights

| | |
|---|---|
| **Significant Gas Resource** | ▪ Large in-place discovered and tested gas accumulation with 2C resources of 458 Bcf<br>▪ Limited exploration activity but regular oil and gas shows and tests demonstrate an active hydrocarbon system |
| **Multiple Plays** | ▪ Appraisal of a basin centered gas play in the post-salt early Jurassic Lias formation, with significant in place hydrocarbons<br>▪ Conventional gas prospectivity in the deeper pre-salt Silves formation, with potential for material hydrocarbon volumes |
| **Established Infrastructure** | ▪ Gas pipeline infrastructure with excess capacity crosses both concessions<br>▪ Modern road system with easy access to exploration and development areas |
| **Favourable Gas Markets** | ▪ All oil and gas currently imported, domestic market undersupplied<br>▪ No export restrictions<br>▪ Attractive commodity pricing above US$7/GJ |
| **Superior Fiscal Regime** | ▪ Royalties 0-9%, 21% corporate tax<br>▪ No government participation |

## Asset Location



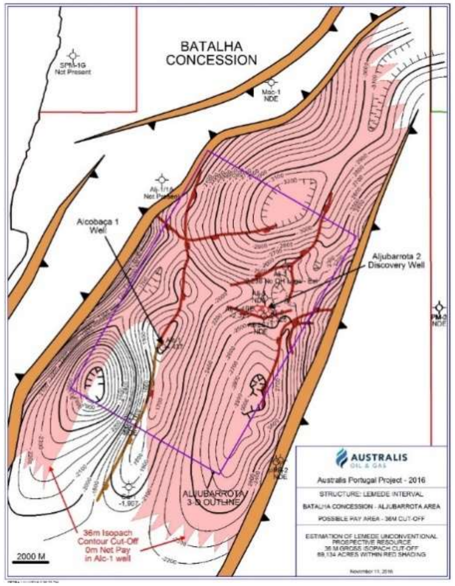
# Portugal Prospectivity & Volumetrics

**Appraisal of a gas discovery with multiple nearby prospects and leads with a significant resource base**

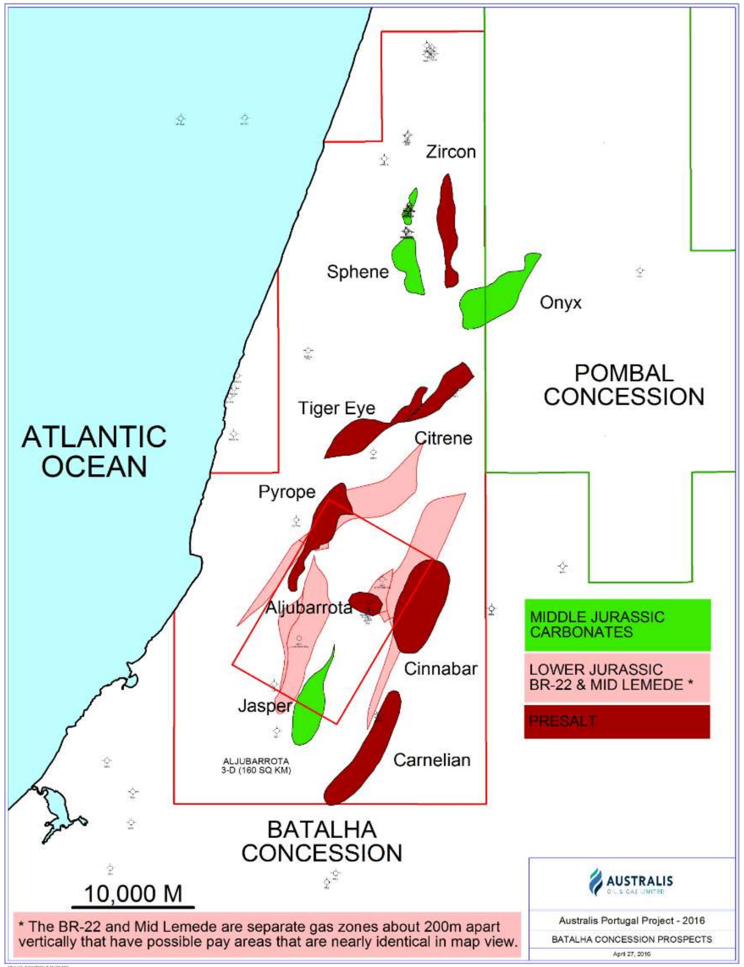
## Proposed Work Program

- Drill and test the gas discovery with a vertical well
- Drill and core a deep Lamede well in a Lower Jurassic depocenter in the Pombal concession

## Batalha Gas Discovery




## Batalha Concession Prospects




## Volumetrics [2, 11]

| | Net Contingent Resources | | | Net Risked Prospective Resources | | |
|---|---|---|---|---|---|---|
| | 1C | 2C | 3C | Low | Best | High |
| **Oil (MMbbl)** | - | - | - | 19.2 | 126.4 | 448.4 |
| **Gas (Bcf)** | 217.4 | 458.5 | 817.7 | 104.3 | 466.0 | 1,632.4 |
| **Oil Equivalent (MMboe)** | 36.2 | 76.4 | 136.3 | 36.6 | 204.1 | 720.4 |

**Note: It should be noted that the estimated quantities of petroleum that may be potentially recovered by the future application of a development project may relate to undiscovered accumulations. These estimates should have the associated risk of discovery and development. Further exploration and appraisal is required to determine the existence of a significant quantity of potentially moveable hydrocarbons.**

# TMS Core Type Curve

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## Summary of monthly oil production data for the most recent 15 Encana operated modern offset Mississippi wells

| Well Name | Lewis 7-18H 1 | Pintard 28H 2 | Lyons 35H 2 | Pintard 28H 1 | Longleaf 29H 1H | Longleaf 29H 2H | Mathis 29-32H | Mathis 29-17H | Lawson 25-13H* | Ash 13H 1* | Ash 13H 2 | Sabine 12H 1* | Sabine 12H 2 | McIntosh 15H* | Reese 16H* | Average | Cumulative |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| State | **Mississippi** | | | | | | | | | | | | | | | | |
| Months of Production | 24 | 24 | 24 | 24 | 24 | 24 | 24 | 24 | 24 | 24 | 24 | 24 | 24 | 24 | 24 | | |
| Stimulated Lateral Length | 8,263 | 8,215 | 5,485 | 5,492 | 6,955 | 7,138 | 6,170 | 9,081 | 9,754 | 7,066 | 7,194 | 6,815 | 7,425 | 7,585 | 6,167 | | |
| | | **Produced Volume (bbls)** | | | | | | | | | | | | | | | |
| **Total** | **184,591** | **247,164** | **211,751** | **144,860** | **189,035** | **316,406** | **151,472** | **257,162** | **318,166** | **205,817** | **179,767** | **217,452** | **237,477** | **231,009** | **153,633** | | |
| Month 1 | 2,325 | 25,027 | 34,743 | 22,049 | 21,594 | 32,088 | 3,406 | 22,677 | 10,325 | 10,766 | 7,922 | 29,701 | 27,525 | 10,787 | 5,640 | 18,438 | 18,438 |
| Month 2 | 28,807 | 32,397 | 24,536 | 13,386 | 20,754 | 33,798 | 26,701 | 34,715 | 37,986 | 27,317 | 21,417 | 23,313 | 25,174 | 31,074 | 19,422 | 26,720 | 45,158 |
| Month 3 | 17,804 | 22,678 | 17,400 | 8,385 | 14,660 | 26,187 | 16,437 | 23,901 | 32,280 | 22,186 | 17,098 | 16,528 | 18,136 | 22,652 | 13,944 | 19,352 | 64,510 |
| Month 4 | 15,003 | 18,816 | 14,431 | 10,221 | 11,749 | 19,532 | 11,692 | 18,134 | 25,061 | 6,934 | 13,663 | 14,908 | 16,570 | 17,881 | 10,978 | 15,038 | 79,548 |
| Month 5 | 11,196 | 15,596 | 12,121 | 7,748 | 10,170 | 16,443 | 6,534 | 15,486 | 21,038 | 11,547 | 12,156 | 12,292 | 13,347 | 14,610 | 9,168 | 12,630 | 92,178 |
| Month 6 | 9,143 | 11,908 | 9,434 | 6,256 | 6,311 | 14,309 | 8,110 | 13,950 | 17,704 | 13,408 | 9,048 | 10,714 | 11,967 | 11,942 | 8,935 | 10,876 | 103,054 |
| Month 7 | 9,013 | 11,916 | 8,843 | 5,554 | 9,628 | 10,441 | 8,175 | 11,281 | 14,876 | 7,155 | 8,944 | 8,580 | 10,385 | 10,227 | 9,330 | 9,623 | 112,677 |
| Month 8 | 7,606 | 11,513 | 8,487 | 5,202 | 8,787 | 12,431 | 9,290 | 10,143 | 13,648 | 10,268 | 8,753 | 358 | 9,301 | 9,154 | 7,345 | 8,819 | 121,496 |
| Month 9 | 7,695 | 10,743 | 7,708 | 4,747 | 7,298 | 14,007 | 3,883 | 12,177 | 11,802 | 7,396 | 8,318 | 9,168 | 5,253 | 9,653 | 7,695 | 8,503 | 129,999 |
| Month 10 | 6,625 | 8,787 | 6,176 | 4,011 | 7,154 | 11,524 | 5,974 | 9,737 | 11,020 | 9,896 | 7,378 | 8,264 | 12,739 | 10,240 | 6,007 | 8,369 | 138,368 |
| Month 11 | 5,565 | 7,373 | 7,160 | 4,378 | 6,848 | 11,602 | 6,430 | 9,224 | 9,564 | 9,714 | 6,561 | 8,867 | 9,315 | 8,776 | 5,706 | 7,806 | 146,174 |
| Month 12 | 2,583 | 8,195 | 7,476 | 4,053 | 4,885 | 9,016 | 4,085 | 8,512 | 12,481 | 10,001 | 6,328 | 8,673 | 7,838 | 8,343 | 5,325 | 7,182 | 153,356 |
| Month 13 | 7,388 | 6,924 | 6,393 | 3,117 | 6,073 | 10,379 | 3,755 | 7,418 | 11,882 | 7,938 | 6,063 | 7,241 | 5,442 | 5,469 | 4,321 | 6,654 | 160,009 |
| Month 14 | 4,559 | 6,502 | 6,035 | 4,383 | 5,842 | 8,261 | 5,494 | 5,933 | 11,140 | 2,885 | 5,322 | 7,066 | 8,492 | 7,166 | 4,867 | 6,263 | 166,272 |
| Month 15 | 5,405 | 6,240 | 5,423 | 5,420 | 5,471 | 8,258 | 5,089 | 5,643 | 9,560 | 5,575 | 5,500 | 6,452 | 6,276 | 5,588 | 4,630 | 6,035 | 172,308 |
| Month 16 | 5,089 | 5,998 | 5,379 | 3,618 | 5,303 | 6,731 | 3,808 | 5,657 | 9,495 | 6,655 | 4,737 | 6,268 | 7,172 | 5,957 | 4,458 | 5,755 | 178,063 |
| Month 17 | 4,911 | 5,347 | 5,256 | 4,749 | 5,389 | 7,449 | 3,430 | 5,089 | 9,035 | 6,326 | 4,337 | 5,762 | 6,303 | 5,604 | 4,006 | 5,533 | 183,596 |
| Month 18 | 4,029 | 5,192 | 4,172 | 4,423 | 4,495 | 8,209 | 1,656 | 5,307 | 8,994 | 4,805 | 2,546 | 5,555 | 6,054 | 5,502 | 3,649 | 4,973 | 188,568 |
| Month 19 | 4,075 | 4,806 | 4,433 | 4,249 | 4,984 | 7,778 | 287 | 6,633 | 8,019 | 6,256 | 5,213 | 5,075 | 5,044 | 5,394 | 3,597 | 5,056 | 193,624 |
| Month 20 | 3,992 | 2,911 | 4,007 | 3,887 | 5,241 | 6,403 | 6,383 | 5,949 | 7,898 | 3,807 | 4,072 | 5,193 | 5,708 | 6,423 | 3,038 | 4,992 | 198,617 |
| Month 21 | 3,306 | 5,565 | 3,848 | 4,054 | 4,658 | 11,950 | 3,266 | 5,647 | 6,423 | 3,383 | 3,790 | 4,842 | 5,293 | 5,233 | 3,072 | 4,955 | 203,572 |
| Month 22 | 0 | 4,363 | 3,209 | 3,786 | 4,000 | 12,602 | 15 | 3,808 | 6,358 | 4,158 | 3,748 | 4,586 | 4,775 | 4,619 | 3,110 | 4,209 | 207,781 |
| Month 23 | 4,447 | 4,394 | 2,658 | 3,664 | 4,314 | 9,553 | 4,484 | 5,456 | 6,536 | 3,760 | 3,386 | 4,288 | 4,879 | 4,462 | 2,703 | 4,599 | 212,380 |
| Month 24 | 4,025 | 3,973 | 2,423 | 3,520 | 3,454 | 7,455 | 3,088 | 4,685 | 5,104 | 3,681 | 3,467 | 3,758 | 4,489 | 4,253 | 2,687 | 4,004 | 216,384 |

Data sourced from Mississippi Oil & Gas Board as of January 2017. Only adjustment made to Pintard 28H1 which was shut in for 8 months so listing Producing months for this well
There is no guarantee future well performance will be consistent with the average of the results of the wells.
* Wells using optimised drilling and completion methodologies

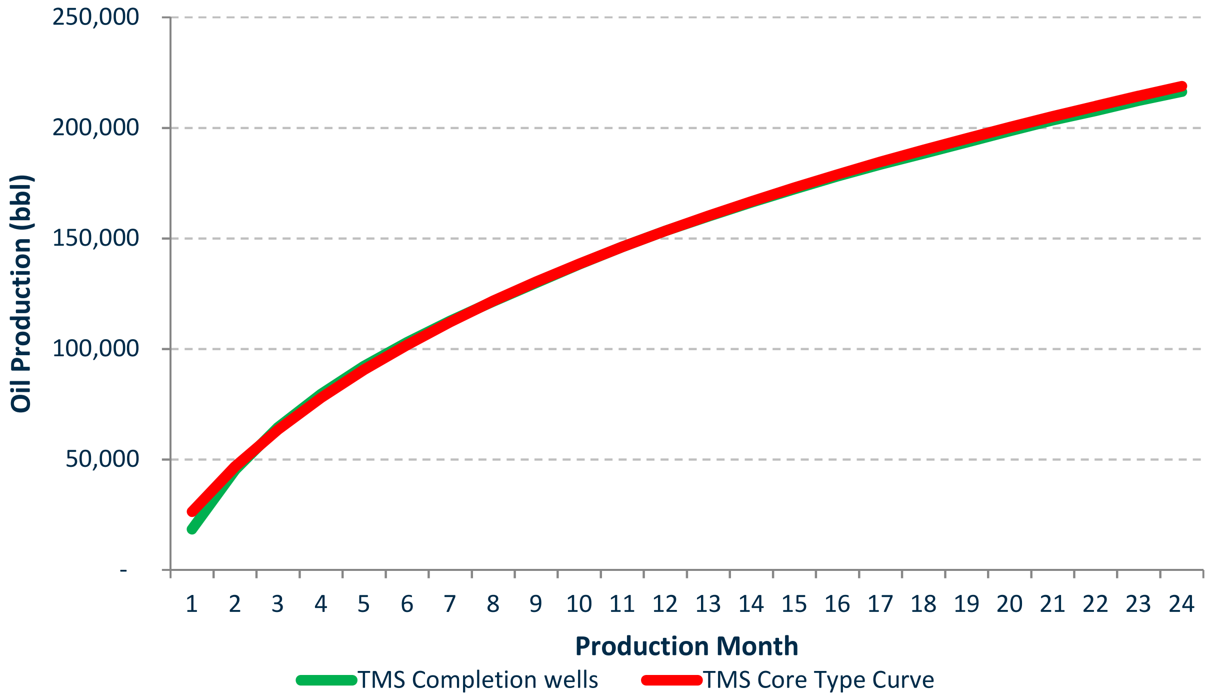
# Single Well TMS Core Type Curve

**ATS type curve history matched to production from the most recent 15 Mississippi ECA wells**

## TMS Core TC – Assumptions

- Oil EUR – 610 Mbbls
- Gas EUR – 159 MMscf
- NGL EUR – 20 Mbbls
- EUR (30 yr) – 656 Mboe (97% liquids)
- Capex US$11million (7,500 ft lateral)[6]
- Opex US$13,700/well/month + US$2.8/boe

## TMS Core Type Curve v TMS Production




| Type Curve | Well EUR | Basis |
|---|---|---|
| TMS Core | 656 Mboe | History match average of the most recent 15 wells spudded by Encana in 2014 (~7,200 ft stimulated lateral) |
| TMS Productivity Upside[8,9] | 754 Mboe | 15% uplift of the TMS Core Type Curve reflecting less than the industry average improvement in well performance (normalised) since 2014 |

# TMS Base Case Economics – Key Assumptions

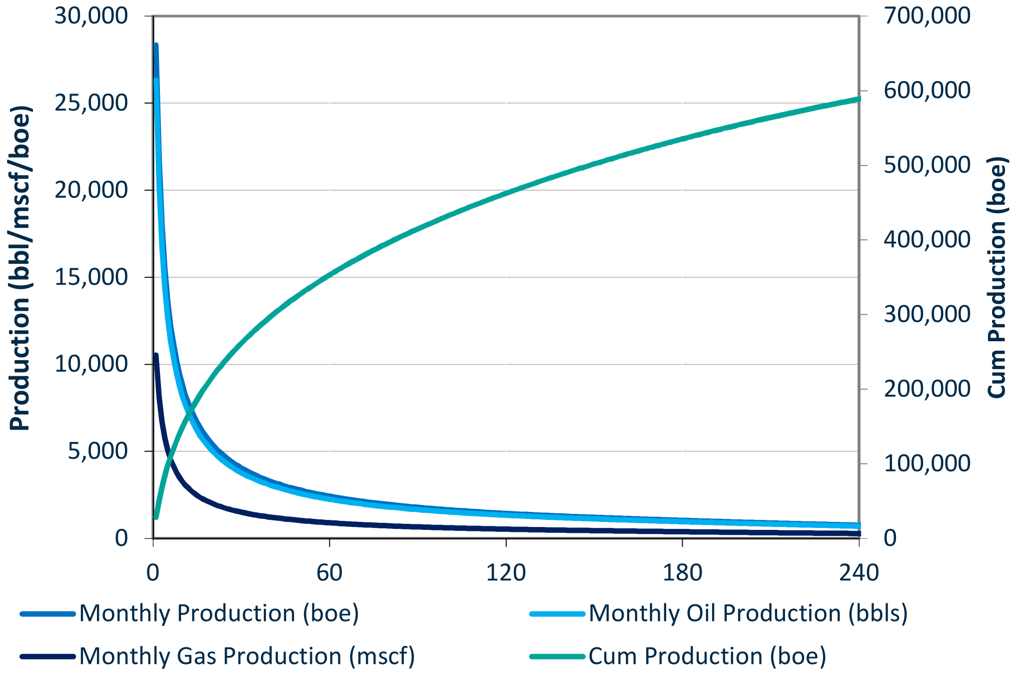
**The production and opex assumptions are based on history and the capex costs are current third party service providers' estimates**

## Base Case Assumptions*

| | | |
|---|---|---|
| **EUR (30 Years)** | | |
| Gas | 0.16 | Bcf |
| Oil/Condensate | 610 | Mbbl |
| NGLs | 20 | Mbbl |
| **EUR/well** | 656 | Mboe |
| **Well Cost** | **US$** | |
| Drilling | $5.0 | million |
| Completion | $5.0 | million |
| Tie in | $1.0 | million |
| **Total Well Cost** | $11.0 | million |
| **Operating Expenditure** | **US$** | |
| Fixed Opex | $13,700 | /well/month |
| Variable Opex | $2.8 | per boe |
| **Other Assumptions** | | |
| NRI | 80% | |
| Realised Differential | +2.25 | $ per bbl |
| Abandonment cost | 1.0% | of well cost |
| Escalation | 2.0% | |

** Economics based on 20 year cash flows from first production*

## Production Forecast




| Oil Price - WTI US$/bbl | Cashflow US$ million | NPV10 US$ million | IRR % | Payback Months |
|---|---|---|---|---|
| $55.0 | $10.4 | $3.6 | 24% | 31 |
| $65.0 | $15.0 | $6.5 | 37% | 22 |
| $75.0 | $19.6 | $9.4 | 53% | 16 |

# Reserves and Resources Update

AUSTRALIS OIL & GAS

## Maiden undeveloped reserve assessment

- As an ASX participant Australis reports to the SPE PRMS. This requires that undeveloped reserves are assessed within a 5 year development timeframe.
- For the purposes of the YE17 reserve assessment, development assumed a conservative 1 x rig from mid 2018 and 3 x rigs from 2019 and 4 x rigs from 2020, focused on HBP acreage and 9 undeveloped units, which is equivalent to ~35% of the Australis net acreage within the TMS core area and a total of 126 gross wells.
- Remaining acreage that has not been assessed for reserves was allocated contingent resource.
- The assumptions used for the reserves remains 250 acre spacing and the recovery factor for the resources is 9%, both conservative.

| Reserve Categories | NRI Oil (MMbbls) |
|---|---|
| Proved Developed Producing | 3.9 |
| Proved Developed Non Producing | 0.2 |
| Proved Undeveloped | 24.8 |
| **Total Proved (1P)** | **28.9** |
| Probable | 17.7 |
| **Total Proved + Probable (2P)** | **46.6** |
| Possible | 13.6 |
| **Total Proved + Probable + Possible (3P)** | **60.2** |
| Low contingent resource (1C) | 8.9 |
| Most likely contingent resource (2C) | 98.0 |
| High contingent resource (3C) | 177.8 |

**Note: The above figures have been rounded for presentation purposes, arithmetic sums may not tally as a result**

## Financial & Operational Summary

### Positive Field Cashflow financing overhead and land capex program in 2018

| Key financial metrics | |
|---|---|
| Sales (WI – before royalties) exit rate December 2017 | 1,700 bbls/d |
| Sales (net – after royalties) exit rate December 2017 | 1,350 bbls/d |
| Sales Revenue (2017) | US$23.3 million |
| Gross Profit (2017) | US$11.0 million |
| Underlying EBITDAX (2017) | US$2.4 million |
| Reported Loss | US$(1.2) million |
| PDP and PDNP reserves (net – after Royalties) | 4.1 million bbls |
| PDP and PDNP NPV(10) – as at 31 December 2017 (Ryder Scott) | US$80 million |
| Cash as at 31 December 2017 | US$17 million |
| Proforma Cash at 31 December 2017 (post placement and net of costs of issue) | US$47 million |
| Debt as at 1 March 2018 | Nil |
| Hedges as at 1 March 2018: | |
| - LLS swaps @ US$59 / bbl | 54,000 bbls |
| - WTI collars (floor US$55/bbl & ceiling US$70/bbl) | 52,000 bbls |

# Financing the Initial Drilling Program

## Possible terms relating to the debt financing alternatives

- Based on ongoing discussions, Australis expects that the terms of potential debt financing alternatives under assessment, including any Norwegian bond, RBL and Term loan, might include the following key features:
  - Amount of committed funding: up to US$50 - $100 million to finance 4-10 new TMS wells.
  - Availability of funds: Drawdown to a portion of the funds may be contingent upon initial well performance hurdles
  - Security: For secured financing (RBL & Term loan) there would be usual guarantee and security requirements
  - Coupon Rate: Range between 7-12% depending on structure and specific terms
  - Term: 3 to 4 years, with moderate amortisation or repayments during the funding term
  - Fees: Customary upfront and drawdown fees payable for structured bank finance, customary investment bank advisory and book running fees for a bond issue and in certain circumstances, fees paid by way of equity consideration (e.g. options or warrants (less than 5% of issued capital) with exercise prices at premiums to share price
  - Financial Covenants: Maintenance and incurrence financial covenants as would be customary for each financing structure including one or more of the following: current ratio, liquidity reserve, leverage ratio and PDP value
  - General covenants: Customary positive and negative covenants and undertakings and typical events of default for each financing structure, including restrictions on additional debt incurrence and disposal of significant and/or secured assets
  - Conditions Precedent to Funding Commitments: Customary, including due diligence on title (for secured finance)
  - Early prepayment: Allowed under all financing alternatives, however the costs of prepaying for high yield bonds would be likely to require a make-whole payment in the initial years of the term with a decreasing premium on principal thereafter

*There is no guarantee that any of the above financing alternatives will result in binding documentation, on terms similar to those set out above, or at all*

# Option Terms Summary

| Grant dates | Exercise Price (A$) | Vesting | Expiry | Number | Cash payable on exercise (A$) |
|---|---|---|---|---|---|
| **Directors, Executives & Management** | | | | | |
| 13 Nov 2015 | $0.25 | Vested | 31 Dec 2020 | 19,675,000 | $4,918,750 |
| 13 Nov 2015 | $0.30 (Series A) | Vested | 31 Dec 2020 | 27,775,000 | $8,332,500 |
| 28 Apr 2016 | $0.30 (Series B) | Vested | 31 Dec 2020 | 1,000,000 | $300,000 |
| 13 Nov 2015 | $0.35 (Series A) | 13 Nov 2017[A] | 31 Dec 2022 | 27,600,000 | $9,660,000 |
| 13 Nov 2015 | $0.35 (Series B) | 13 Nov 2018[A] | 31 Dec 2022 | 1,600,000 | $560,000 |
| 28 Apr 2016 | $0.35 (Series C) | 13 Nov 2017[A] | 31 Dec 2022 | 1,000,000 | $350,000 |
| 28 Apr 2016 | $0.35 (Series D) | 13 Nov 2018[A] | 31 Dec 2022 | 1,000,000 | $350,000 |
| 24 May 2016 | $0.275 (Series B, C, D) | See note [B] | 24 May 2021 | 420,000 | $115,500 |
| 10 April 2017 | $0.3125 (Series A,B,C) | See note [C] | 30 Nov 2021 | 420,000 | $131,250 |
| 18 Dec 2017 | $0.285 | Vested | 31 Dec 2022 | 500,000 | $142,500 |
| 18 Dec 2017 | $0.345 | 18 Dec 2018[A] | 31 Dec 2022 | 500,000 | $172,500 |
| 18 Dec 2017 | $0.400 | 18 Dec 2019[A] | 31 Dec 2022 | 500,000 | $200,000 |
| | | | | **81,990,000** | **$25,233,000** |
| **Investors - granted to subscribers on a 1 for every 2 new shares subscribed (A$10.05MM placement – May 2016)** | | | | | |
| 16 May 2016 | $0.275 (Series A) | N/A[D] | 30 Jun 2019 | **20,590,993** | **$5,662,523** |

A. Vesting of the Options is conditional upon continued holding of office or employment of the relevant Director or employee until the relevant vesting date

B. Non Executive Director Options vest 33.3% on each anniversary from the date of appointment, 24 May 2016, subject to the Non Executive Director remaining a director of the Company

C. Non Executive Director Options vest 33.3% on each anniversary from the date of appointment, 30 November 2016, subject to the Non Executive Director remaining a director of the Company

D. No vesting condition applies to Options granted as part of Australis's private capital raising completed in May 2016 (pre IPO) to sophisticated investors at a price of A$0.22 per new share to raise A$10.05 million

# Footnotes

1. All estimates and risk factors taken from Ryder Scott, report prepared as at 31 December 2017 and generated for the Australis concessions to SPE standards. See ASX announcement released on 30 January 2018 titled "Reserves and Resources Update Year End 2017". The analysis was based on a land holding of 95,000 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.
2. All estimates and risk factors taken from Netherland, Sewell & Associates, report prepared as at 31 December 2016 and generated for the Australis concessions to SPE standards. See announcement titled "2016 Year End Resource Update' dated 25 January 2015. 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. The contingent resource estimates are located in the Batalha Concession. NSAI generated their independent contingent resource estimates using a combination of deterministic and probabilistic methods
3. Includes 2P Reserves of 47 MMbbl and 2C Resources of 98 MMbbl
4. Base Case Type Curve averaging last 15 wells. The 15 Mississippi ECA wells are detailed in the appendix slide titled "Single Well TMS Core Type Curve"
5. Data sourced from the Mississippi Oil & Gas Board. Other TMS wells drilled by Goodrich, Halcon, Comstock and Sanchez
6. Australis TMS Core single well cost estimate is based on cost estimates received as at December 2017 from service providers for the drilling and completion of a 7,500ft horizontal well
7. Assumptions taken from company investor presentations since 2013 including : Goodrich, Halcon, Comstock and Encana.
8. TMS Core Type Curve – "TMS Productivity Upside" means a 15% increase in the TMS Core Type Curve to provide a sensitivity reflecting some of the potential upside in productivity improvements through advances in Drilling & Completion that have been made by operators in unconventional resource plays since the last ATS TMS well was spudded in 2014
9. Australis conducted analysis of public disclosures from 17 E&P Companies operating in 10 Unconventional Resource Plays in the USA. Analysis showed that E&P Companies reported well productivity improvements (normalised to lateral length) had increased between 0% and 50% from 2014 to 2017 with an average of 22%. E&P Companies include: EOG Resources, ConocoPhillips, Marathon Oil Corp, Chesapeake, OXY, RSP Permian, Cimarex, Continental Resources, Pioneer Natural Resources, Anschutz Exploration Corp, EP Energy, Hess, Baytex, Sanchez Energy Corp, Range Resources, EQT Resources, Antero Resources. Unconventional Resource Plays include: Delaware Basin, Midland Basin, Eagle Ford, Bakken, Haynesville Shale, SCOOP/STACK, Marcellus, Utica, Powder River Basin & DJ Basin
10. The Non HBP core leaseholds comprise leases within Mississippi and Louisiana. In addition to the leasehold extensions and acquisitions, in early November 2017, Australis acquired the remaining 50% WI in approximately 30,000 net acres from Paloma Partners.
11. Oil equivalent volumes are expressed in thousands of barrels of oil equivalent (Mboe), determined using the ratio of 6 Mscf of gas to 1 bbl of oil

# Glossary

| Unit | Measure | Unit | Measure |
|---|---|---|---|
| B | Prefix - Billions | bbl | Barrel of oil |
| MM or mm | Prefix - Millions | boe | Barrel of oil equivalent (1bbl = 6 mscf) |
| M or m | Prefix - Thousands | scf | Standard cubic foot of gas |
| /d | Suffix - per day | Bcf | Billion standard cubic foot of gas |

| Abbreviation | Description |
|---|---|
| TMS Core | The Australis designated productive core area of the TMS delineated by production history |
| WI | Working Interest |
| C | Contingent Resources – 1C/2C/3C – low/most likely/high |
| NRI | Net Revenue Interest (after royalty) |
| Net | Working Interest after deduction of Royalty Interests |
| NPV (10) | Net Present Value (discount rate), before income tax |
| HBP | Held by Production (lease obligations met) |
| EUR | Estimated Ultimate Recovery per well |
| WTI | West Texas Intermediate Oil Benchmark Price |
| LLS | Louisiana Light Sweet Oil Benchmark Price |
| 2D / 3D | 2 dimensional and 3 dimensional seismic surveys |
| PDP | Proved Developed Producing |
| PUD | Proved Undeveloped Producing |
| Probable | 2P reserve |
| D, C & T | Drill, Complete and Tie-In |
| Royalty Interest or Royalty | Interest in a leasehold area providing the holder with the right to receive a share of production associated with the leasehold area |
| Field Netback | Oil and gas sales net of royalties, production and state taxes |
| Net Acres | Working Interest before deduction of Royalty Interests |

# Risk Factors

**Investing in the placement involves inherent risks. Prospective investors should carefully consider, among other things, the risk factors set out below before making an investment decision. The list of risk factors is not exhaustive and there may be other risks relevant to Australis which are not stated herein. A prospective investor should carefully consider all the risks related to Australis, and should consult his or her own expert advisors as to the suitability of an investment in Australis. An investment Australis entails significant risks and is suitable only for investors who understand the risk factors associated with this type of investment and who can afford a loss of all or part of the investment. Against this background, an investor should make a careful assessment of Australis and its prospects before deciding to invest.**

**Offer Risk.** The proposed placement is not underwritten, and there is no guarantee applicants will settle. If settlement does not occur with respect to the placement, there is no assurance that Australis will be able to access and secure additional funding on reasonable terms or at all.

**Australis is exposed to commodity risk.** Australis develops onshore oil and gas assets and invests in companies engaged in the development and production of oil and gas. The prices of oil and gas are outside the control of Australis and fluctuate; the prices impact the availability and costs of opportunities for Australis, and any future revenue and profitability from the sale of oil and gas. Australis' strategy is predicated on the belief that the fundamental drivers are in place for a potential increase in oil prices in due course. There is no guarantee the oil price will increase.

**Australis is exposed to financing risk.** The assets and companies in which Australis invests in are capital intensive and require equity and debt financing in order to develop the projects in which they are involved. If Australis, or the assets or companies in which Australis invests in, are unable to obtain financing on beneficial terms it could have a material adverse effect on Australis's financial condition. As such Australis is exposed to interest risk on interest bearing current and non current liabilities following a placement of debt.

**Australis is exposed to production risk.** Within the TMS assets there are a number of producing wells that were drilled and operated by third parties, and many of these are now operated by Australis. There can be no guarantee that these wells will continue to, or any new wells drilled, will produce at the expected rates and / or for the predicted duration.

**Australis is exposed to leasing / title risk.** Australis has acquired and will continue to acquire Working Interests in leaseholds from mineral rights owners in Louisiana and Mississippi, USA. Certain TMS Leases are, at Australis' election, capable of renewal or extension. There is no guarantee that existing leases will be renewed, extended or reacquired prior to expiry or that leases on new areas will be acquired. The process of confirming defensible title on leases for oil and gas exploration and production has been performed by experts acting for Australis. If at any time title cannot be determined, it may have a financial impact on the value of that lease.

**Australis is exposed to environmental risk.** Investments in oil & gas assets involves an inherent exposure to environmental risk which may reduce profitability of certain projects. Significant liability could be imposed on Australis for damages, clean-up costs or penalties in the event of certain discharges into the environment, environmental damage caused by previous owners of properties purchased or used by Australis, acts of sabotage by third parties or non-compliance with environmental laws or regulations by Australis.

**Australis is exposed to legal and regulatory risk**. Changes in laws and regulations relating to ownership and the development of land could have an adverse effect on Australis's business. New laws may be introduced which may be retrospective and affect environmental planning, land use and development regulations. Furthermore, changes in tax legislation and/or increases in tax rates could have a material adverse effect on Australis's financial condition.

**Risks associated with legal disputes.** Australis may from time to time be involved in legal disputes and legal proceedings related to the group's operations or otherwise. Such disputes and legal proceedings may be expensive and time-consuming, and could divert management's attention from the group's business.

# International Offer Restrictions

This document does not constitute an offer of new ordinary shares ("New Shares") of Australis in any jurisdiction in which it would be unlawful. In particular, this document may not be distributed to any person, and the New Shares may not be offered or sold, in any country outside Australia except to the extent permitted below.

**Canada (British Columbia, Ontario and Quebec provinces)**

This document constitutes an offering of New Shares only in the Provinces of British Columbia, Ontario and Quebec (the "Provinces") and to those persons to whom they may be lawfully distributed in the Provinces, and only by persons permitted to sell such New Shares. This document is not, and under no circumstances is to be construed as, an advertisement or a public offering of securities in the Provinces. This document may only be distributed in the Provinces to persons that are "accredited investors" within the meaning of NI 45-106 – Prospectus Exemptions, of the Canadian Securities Administrators.

No securities commission or similar authority in the Provinces has reviewed or in any way passed upon this document, the merits of the New Shares or the offering of New Shares and any representation to the contrary is an offence.

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Australis as well as its directors and officers may be located outside Canada and, as a result, it may not be possible for purchasers to effect service of process within Canada upon Australis or its directors or officers. All or a substantial portion of the assets of Australis and such persons may be located outside Canada and, as a result, it may not be possible to satisfy a judgment against Australis or such persons in Canada or to enforce a judgment obtained in Canadian courts against Australis or such persons outside Canada.

Any financial information contained in this document has been prepared in accordance with Australian Accounting Standards and also comply with International Financial Reporting Standards and interpretations issued by the International Accounting Standards Board. Unless stated otherwise, all dollar amounts contained in this document are in Australian dollars.

Statutory rights of action for damages and rescission

Securities legislation in certain of the Provinces may provide purchasers with, in addition to any other rights they may have at law, rights of rescission or to damages, or both, when an offering memorandum that is delivered to purchasers contains a misrepresentation. These rights and remedies must be exercised within prescribed time limits and are subject to the defenses contained in applicable securities legislation. Prospective purchasers should refer to the applicable provisions of the securities legislation of their respective Province for the particulars of these rights or consult with a legal adviser.

The following is a summary of the statutory rights of rescission or to damages, or both, available to purchasers in Ontario. In Ontario, every purchaser of the New Shares purchased pursuant to this document (other than (a) a "Canadian financial institution" or a "Schedule III bank" (each as defined in NI 45-106), (b) the Business Development Bank of Canada or (c) a subsidiary of any person referred to in (a) or (b) above, if the person owns all the voting securities of the subsidiary, except the voting securities required by law to be owned by the directors of that subsidiary) shall have a statutory right of action for damages and/or rescission against Australis if this document or any amendment thereto contains a misrepresentation. If a purchaser elects to exercise the right of action for rescission, the purchaser will have no right of action for damages against Australis. This right of action for rescission or damages is in addition to and without derogation from any other right the purchaser may have at law. In particular, Section 130.1 of the Securities Act (Ontario) provides that, if this document contains a misrepresentation, a purchaser who purchases the New Shares during the period of distribution shall be deemed to have relied on the misrepresentation if it was a misrepresentation at the time of purchase and has a right of action for damages or, alternatively, may elect to exercise a right of rescission against Australis, provided that (a) Australis will not be liable if it proves that the purchaser purchased the New Shares with knowledge of the misrepresentation; (b) in an action for damages, Australis is not liable for all or any portion of the damages that Australis proves does not represent the depreciation in value of the New Shares as a result of the misrepresentation relied upon; and (c) in no case shall the amount recoverable exceed the price at which the New Shares were offered.

Section 138 of the Securities Act (Ontario) provides that no action shall be commenced to enforce these rights more than (a) in the case of any action for rescission, 180 days after the date of the transaction that gave rise to the cause of action or (b) in the case of any action, other than an action for rescission, the earlier of (i) 180 days after the purchaser first had knowledge of the fact giving rise to the cause of action or (ii) three years after the date of the transaction that gave rise to the cause of action. These rights are in addition to and not in derogation from any other right the purchaser may have.

# International Offer Restrictions

*Certain Canadian income tax considerations:* Prospective purchasers of the New Shares should consult their own tax adviser with respect to any taxes payable in connection with the acquisition, holding or disposition of the New Shares as any discussion of taxation related matters in this document is not a comprehensive description and there are a number of substantive Canadian tax compliance requirements for investors in the Provinces.

*Language of documents in Canada:* Upon receipt of this document, each investor in Canada hereby confirms that it has expressly requested that all documents evidencing or relating in any way to the sale of the New Shares (including for greater certainty any purchase confirmation or any notice) be drawn up in the English language only. Par la réception de ce document, chaque investisseur canadien confirme par les présentes qu'il a expressément exigé que tous les documents faisant foi ou se rapportant de quelque manière que ce soit à la vente des valeurs mobilières décrites aux présentes (incluant, pour plus de certitude, toute confirmation d'achat ou tout avis) soient rédigés en anglais seulement.

**Norway**

This document has not been approved by, or registered with, any Norwegian securities regulator under the Norwegian Securities Trading Act of 29 June 2007. Accordingly, this document shall not be deemed to constitute an offer to the public in Norway within the meaning of the Norwegian Securities Trading Act of 2007.

The New Shares may not be offered or sold, directly or indirectly, in Norway except to "professional clients" (as defined in Norwegian Securities Regulation of 29 June 2007 no. 876 and including non-professional clients having met the criteria for being deemed to be professional and for which an investment firm has waived the protection as non-professional in accordance with the procedures in this regulation).

**United States**

This document does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States. The New Shares have not been, and will not be, registered under the US Securities Act of 1933 and may not be offered or sold in the United States except in transactions exempt from, or not subject to, the registration requirements of the US Securities Act and applicable US state securities laws.

**United Kingdom**

Neither this document nor any other document relating to the offer has been delivered for approval to the Financial Conduct Authority in the United Kingdom and no prospectus (within the meaning of section 85 of the Financial Services and Markets Act 2000, as amended ("FSMA")) has been published or is intended to be published in respect of the New Shares.

This document is issued on a confidential basis to "qualified investors" (within the meaning of section 86(7) of the FSMA) in the United Kingdom, and the New Shares may not be offered or sold in the United Kingdom by means of this document, any accompanying letter or any other document, except in circumstances which do not require the publication of a prospectus pursuant to section 86(1) of the FSMA. This document should not be distributed, published or reproduced, in whole or in part, nor may its contents be disclosed by recipients to any other person in the United Kingdom.

Any invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received in connection with the issue or sale of the New Shares has only been communicated or caused to be communicated and will only be communicated or caused to be communicated in the United Kingdom in circumstances in which section 21(1) of the FSMA does not apply to Australis.

In the United Kingdom, this document is being distributed only to, and is directed at, persons (i) who have professional experience in matters relating to investments falling within Article 19(5) (investment professionals) of the Financial Services and Markets Act 2000 (Financial Promotions) Order 2005 ("FPO"), (ii) who fall within the categories of persons referred to in Article 49(2)(a) to (d) (high net worth companies, unincorporated associations, etc.) of the FPO or (iii) to whom it may otherwise be lawfully communicated (together "relevant persons"). The investments to which this document relates are available only to, and any offer or agreement to purchase will be engaged in only with, relevant persons. Any person who is not a relevant person should not act or rely on this document or any of its contents.

# International Offer Restrictions

**Hong Kong**

WARNING: This document has not been, and will not be, registered as a prospectus under the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong, nor has it been authorised by the Securities and Futures Commission in Hong Kong pursuant to the Securities and Futures Ordinance (Cap. 571) of the Laws of Hong Kong (the "SFO"). No action has been taken in Hong Kong to authorise or register this document or to permit the distribution of this document or any documents issued in connection with it. Accordingly, the New Shares have not been and will not be offered or sold in Hong Kong other than to "professional investors" (as defined in the SFO and any rules made under that ordinance).

No advertisement, invitation or document relating to the New Shares has been or will be issued, or has been or will be in the possession of any person for the purpose of issue, in Hong Kong or elsewhere that is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to New Shares that are or are intended to be disposed of only to persons outside Hong Kong or only to professional investors. No person allotted New Shares may sell, or offer to sell, such securities in circumstances that amount to an offer to the public in Hong Kong within six months following the date of issue of such securities.

The contents of this document have not been reviewed by any Hong Kong regulatory authority. You are advised to exercise caution in relation to the offer. If you are in doubt about any contents of this document, you should obtain independent professional advice.

**Singapore**

This document and any other materials relating to the New Shares have not been, and will not be, lodged or registered as a prospectus in Singapore with the Monetary Authority of Singapore. Accordingly, this document and any other document or materials in connection with the offer or sale, or invitation for subscription or purchase, of New Shares, may not be issued, circulated or distributed, nor may the New Shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore except pursuant to and in accordance with exemptions in Subdivision (4) Division 1, Part XIII of the Securities and Futures Act, Chapter 289 of Singapore (the "SFA"), or as otherwise pursuant to, and in accordance with the conditions of any other applicable provisions of the SFA.

This document has been given to you on the basis that you are (i) an existing holder of the Company's shares, (ii) an "institutional investor" (as defined in the SFA) or (iii) a "relevant person" (as defined in section 275(2) of the SFA). In the event that you are not an investor falling within any of the categories set out above, please return this document immediately. You may not forward or circulate this document to any other person in Singapore.

Any offer is not made to you with a view to the New Shares being subsequently offered for sale to any other party. There are on-sale restrictions in Singapore that may be applicable to investors who acquire New Shares. As such, investors are advised to acquaint themselves with the SFA provisions relating to resale restrictions in Singapore and comply accordingly.