



Indago Energy Limited

Cleansing Notice for Entitlement Offer

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

This notice is given by Indago Energy Limited (ASX: INK) (ABN 75 117 387 354) (**Indago**) under section 708AA(2)(f) of the *Corporations Act 2001* (Cth) (the **Act**) as notionally modified by the Australian Securities and Investments Commission Instrument 16/84.

Indago announced on 31 July 2017 that it intends to raise approximately \$3.05 million (before costs) through a 1 for 3 underwritten pro-rata non-renounceable entitlement offer of fully paid ordinary shares to existing eligible shareholders (**Entitlement Offer**).

The Entitlement Offer consists of an offer of 1 fully paid Indago ordinary share (**New Shares**) for every 3 Indago fully paid ordinary shares held as at 7.00pm (Melbourne time) on 3 August 2017 (**Record Date**) by eligible shareholders with a registered address in Australia or New Zealand (**Eligible Shareholders**) at an issue price of 7 cents per New Share. The Entitlement Offer will be made pursuant to an Entitlement Offer booklet (**Offer Document**). The Entitlement Offer is underwritten by Patersons Securities Limited (**Underwriter**).

Eligible Shareholders may, in addition to taking up their entitlements in full, apply for additional shares (**Additional Shares**) in excess of their entitlements at the same price as under the Entitlement Offer (**Top-Up Facility**). Additional Shares will only be available where there is a shortfall between applications received from Eligible Shareholders and the number of New Shares (**Shortfall**), and subject to the allocation policy described below and set out in the Offer Document.

Indago proposes to adopt the following allocation policy for allocating Shortfall:

- (a) If there is a Shortfall, each Eligible Shareholder who has applied for Additional Shares through the Top-Up Facility will be entitled to be allocated their pro-rata share of the Shortfall having regard to their holdings at the Record Date (if an Eligible Shareholder has made an application for Additional Shares for an amount less than the amount of Additional Shares that the Eligible Shareholder would otherwise be allocated under this process, the Eligible Shareholder will be allocated the amount applied for).
- (b) The allocation process described above will be repeated in relation to any remaining Shortfall and any subsequent Shortfall, until either all New Shares proposed to be issued have been allocated or all Shortfall applications have been satisfied in full.
- (c) If, following the above allocation, there remains a Shortfall, it will then be allocated to the Underwriter, to be allocated to any sub-underwriters.

For avoidance of doubt, the Corporations Act 20% relevant interest level applies to limit the acquisition of Additional Shares through the Top-Up Facility.

Indago advises that:

ABN: 75 117 387 354
Tel: +61 3 9642 2899 | Fax: +61 3 9642 5177
Level 6, 412 Collins Street, Melbourne VIC 3000 Australia

- (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, Indago has complied with:
 - (i) the provisions of Chapter 2M of the Act as they apply to Indago; 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 Entitlement Offer will have on the control of Indago is as follows:
 - (i) if all Eligible Shareholders take up their entitlements under the Entitlement Offer, then the Entitlement Offer will have no effect on the control of Indago;
 - (ii) if some Eligible Shareholders do not take up all of their entitlements under the Entitlement Offer, then the interests of those Eligible Shareholders will be diluted;
 - (iii) the proportional interests of shareholders who are not Eligible Shareholders will be diluted because such shareholders are not entitled to participate in the Entitlement Offer,having regard to:
 - (iv) the composition of Indago's share register; and
 - (v) the terms of the Entitlement Offer, the commitments received under the Placement, the underwriting and sub-underwriting arrangements in place for the Entitlement Offer and the nature of the underwriters and sub-underwriters,

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



Julie Edwards
Company Secretary
Indago Energy Limited