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ASX Code: E2E

ASX Announcement/Media Release

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6 February 2019

Renounceable Rights Issue to Raise up to \$2.8 Million

Highlights

- **1 for 1 renounceable pro-rata offer to raise up to A\$2.8 million**
- **Attractively priced for shareholders at A\$0.007 per share - 57% discount to 15-Day VWAP**
- **One free attaching option for every new share issued**

Eon NRG Limited (ASX: E2E) ("Eon" or the "Company") is pleased to announce a pro-rata renounceable entitlement offer (**Entitlement Offer**) to existing shareholders to raise up to ~A\$2.8 million before costs.

Funds raised through this offer will be used for working capital including the permitting and drilling in the PRB Project which Eon acquired in 2018.

Eon shareholders resident in Australia or New Zealand can subscribe for 1 new share for every 1 E2E share held on 11 February 2019 (**Record Date**) at an issue price of \$0.007 (0.7 cents) per New Share.

The Entitlement Offer issue price represents:

- a 46% discount to the Company's last traded closing share price of A\$0.013 per share on 1 February 2019, and
- a 57% discount to the 15-day VWAP of A\$0.0162 per share.

The Entitlement Offer is partially underwritten, to \$1.2 million, by CPS Capital Pty Ltd (**CPS**) who are also acting as the lead manager. Members of the Board have indicated that they will participate in the Entitlement Offer.

The Company has prepared a prospectus for the Entitlement Offer dated 6 February 2019 which accompanies this announcement (**Prospectus**). The Prospectus contains full details of the Entitlement Offer and should be read in full.

E2E shareholders with registered addresses in Australia and New Zealand on the Record Date are eligible to participate in the Entitlement Offer (**Eligible Shareholders**). As the Entitlement Offer is renounceable, investors who purchase an entitlement from an Eligible Shareholder during the entitlement trading period may exercise their entitlements as set out in the Prospectus (**Eligible Entitlement Holders**).

Eligible Shareholders and Eligible Entitlement Holders (other than directors and related parties of Eon) may, in addition to taking up their entitlement offered under the Entitlement Offer, apply for additional New Shares.

In accordance with section 615 of the Corporations Act and Listing Rule 7.7, Eon has appointed CPS as nominee to sell the entitlements for ineligible shareholders.

Indicative timetable¹

| Event | 2019 |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------|
| Announcement of the Revised Entitlement Offer | Wednesday, 6 February |
| "Ex"-date (shares now trade without right to participate in the Revised Entitlement Offer) Entitlement trading to commence on a deferred settlement basis | Friday, 8 February |
| Record Date to determine entitlement to subscribe for new shares and new options | 5.00pm (AEDT) on Monday, 11 February |
| Entitlement Offer opens | Friday 15 February |
| Entitlement trading ends | Thursday 21 February |
| New shares and new options quoted on a deferred settlement basis | Friday 22 February |
| Closing date for Entitlement Offer | 5.00pm (AEDT) on Thursday, 28 February |
| Issue of new shares and new options and dispatch of confirmation of issue Deferred settlement trading ends | Wednesday, 6 March |
| Normal trading of new shares and new options on ASX | Thursday, 7 March |

Further details of the Entitlement Offer are set out in the Prospectus which will be sent to Eligible Shareholders. The Prospectus contains important information in relation to the Entitlement Offer, including details of how to participate in the Entitlement Offer, the eligibility criteria for participating in the Entitlement Offer, the key risks associated with an investment in the Company and further details on the Company. Persons should consider the Prospectus in deciding whether to acquire securities. Anyone wanting to acquire securities will need to complete the application form that will accompany the Prospectus.

The Entitlement Offer and any shortfall placed falls within an exception to ASX Listing Rule 7.1 and does not require shareholder approval.

Shareholders who have questions relating to the Entitlement Offer should call the Company Secretary, Simon Adams on business days prior to the closing date of the Entitlement Offer on the details set out below.

ENDS

¹ These dates are indicative only. The Company may vary the dates and times of the Revised Entitlement Offer or withdraw it without notice. Accordingly, Eligible Shareholders are encouraged to submit their entitlement and acceptance form as early as possible. Without limiting the foregoing, subject to the ASX Listing Rules, the Eon directors reserve the right to extend the Closing Date for the Revised Entitlement Offer. Any extension of the Closing Date will have a consequential effect on the anticipated date for issue of new shares and new options.

For further details contact:

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Important notice

This announcement is not an offer or an invitation to acquire securities. In particular, any securities described in this announcement have not been, and will not be, registered under the US Securities Act 1933 (as amended) and may not be offered or sold in the United States except in transactions exempt from, or not subject to, registration under the US Securities Act and applicable US state securities laws.

Forward-looking statements

This release contains forward-looking statements. The words 'forecast', 'estimate', 'likely', 'anticipate', 'believe', 'expect', 'project', 'predict', 'outlook', 'guidance', 'intend', 'should', 'could', 'may', 'target', 'plan' and other similar expressions are intended to identify forward-looking statements. Indications of, and guidance on, future earnings and financial position and performance are also forward-looking statements. Forward-looking statements in this release include statements regarding our strategy, future operational and financial results, acquisitions, future projects, the results of the capital raising and the use of proceeds therefrom. You are cautioned not to place undue reliance on forward-looking statements. The forward-looking statements, opinions and estimates provided in this release are based on assumptions and contingencies that are subject to change without notice, as are statements about market and industry trends, which are based on interpretations of current market conditions. Forward-looking statements including projections, guidance on future earnings and estimates are provided as a general guide only and should not be relied upon as an indication or guarantee of future performance. Forward-looking statements are subject to known and unknown risks and uncertainties, there can be no assurance that actual outcomes will not differ materially from forward-looking statements and readers are cautioned not to place undue reliance on these forward-looking statements. The Company assumes no obligation to update or revise these forward-looking statements to reflect any change in expectations or assumptions.

Background on Eon NRG Limited

Eon NRG Ltd is an USA onshore focused energy exploration and production company. The Company is targeting high impact oil wells and other energy exploration projects in oil, gas, and or battery minerals, supported by its 100% owned and operated long life oil and gas production assets and associated cashflow.