

BPH ENERGY LIMITED
ACN 095 912 002

PROSPECTUS

For the offer of up to 2,000 Shares in the capital of the Company at an issue price of \$0.033 per Share and 1,000 Options at an issue price of \$0.004 per Option to raise up to \$70 (**Offer**).

This Prospectus has been prepared primarily for the purpose of section 708A(11) of the Corporations Act to remove any trading restrictions on the sale of Securities issued by the Company prior to the Closing Date.

IMPORTANT NOTICE

This document is important and should be read in its entirety. If after reading this Prospectus you have any questions about the Securities being offered under this Prospectus or any other matter, then you should consult your stockbroker, accountant or other professional adviser.

The Securities offered under this Prospectus should be considered speculative.

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1. CORPORATE DIRECTORY

Directors

David Breeze
Chairman and Managing Director

Tony Huston
Non-Executive Director

Charles Maling
Non-Executive Director

Company Secretary

David Breeze

Registered Office

Unit 12, Level 1
114 Cedric Street
STIRLING WA 6021

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Website: www.bphenergy.com.au
Email: admin@bphenergy.com.au

ASX Codes: BPH, BPHOB

Auditor*

HLB Mann Judd
Level 4
130 Stirling Street
PERTH WA 6000

Share Registry*

Advanced Share Registry Services
110 Stirling Highway
NEDLANDS WA 6009

Solicitors

Steinepreis Paganin
Lawyers and Consultants
Level 4, The Read Buildings
16 Milligan Street
PERTH WA 6000

*These entities have not been involved in the preparation of this Prospectus and have not consented to being named in this Prospectus. Their names are included for information purposes only.

2. TIMETABLE AND IMPORTANT NOTES

2.1 Timetable

Action	Date
Lodgement of Prospectus with the ASIC and ASX	15 February 2024
Opening Date	15 February 2024
Closing Date*	5:00pm WST on 22 February 2024
Expected date of Official Quotation of the Shares and Options	23 February 2024

* The Directors reserve the right to bring forward or extend the Closing Date at any time after the Opening Date without notice. As such, the date the Shares are expected to commence trading on ASX may vary with any change in the Closing Date.

2.2 Important Notes

This Prospectus is dated 15 February 2024 and was lodged with the ASIC on that date. The ASIC and its officers take no responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates.

No Securities may be issued on the basis of this Prospectus later than 13 months after the date of this Prospectus.

The Offer is only available to those who are personally invited to accept the Offer. Applications for Securities offered pursuant to this Prospectus can only be submitted on an original Application Form which accompanies this Prospectus.

This Prospectus is a transaction specific prospectus for an offer of continuously quoted securities (as defined in the Corporations Act) and has been prepared in accordance with section 713 of the Corporations Act. It does not contain the same level of disclosure as an initial public offering prospectus. In making representations in this Prospectus regard has been had to the fact that the Company is a disclosing entity for the purposes of the Corporations Act and certain matters may reasonably be expected to be known to investors and professional advisers whom potential investors may consult.

2.3 Web Site – Electronic Prospectus

A copy of this Prospectus can be downloaded from the website of the Company at www.bphenergy.com.au. If you are accessing the electronic version of this Prospectus for the purpose of making an investment in the Company, you must be an Australian resident and must only access this Prospectus from within Australia.

The Corporations Act prohibits any person passing onto another person an Application Form unless it is attached to a hard copy of this Prospectus, or it accompanies the complete and unaltered version of this Prospectus. Any person may obtain a hard copy of this Prospectus free of charge by contacting the Company.

The Company reserves the right not to accept an Application Form from a person if it has reason to believe that when that person was given access to the electronic Application Form, it was not provided together with the electronic Prospectus and any relevant supplementary or replacement prospectus or any of those documents were incomplete or altered.

2.4 Risk Factors

Potential investors should be aware that subscribing for Securities in the Company involves a number of risks. The key risk factors of which investors should be aware are set out in Section 6 of this Prospectus. These risks together with other general risks applicable to all investments in listed securities not specifically referred to, may affect the value of the Shares in the future. Accordingly, an investment in the Company should be considered highly speculative. Investors should consider consulting their professional advisers before deciding whether to apply for Securities pursuant to this Prospectus.

2.5 Overseas Investors

The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law and therefore persons into whose possession this document comes should seek advice on and observe any such restrictions. Any failure to comply with these restrictions constitutes a violation of those laws. This Prospectus does not constitute an offer of Securities in any jurisdiction where, or to any person to whom, it would be unlawful to issue in this Prospectus.

2.6 Forward-looking statements

This Prospectus contains forward-looking statements which are identified by words such as 'may', 'could', 'believes', 'estimates', 'targets', 'expects', or 'intends' and other similar words that involve risks and uncertainties.

These statements are based on an assessment of present economic and operating conditions, and on a number of assumptions regarding future events and actions that, as at the date of this Prospectus, are expected to take place.

Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of our Company, the Directors and our management.

We cannot and do not give any assurance that the results, performance or achievements expressed or implied by the forward-looking statements contained in this prospectus will actually occur and investors are cautioned not to place undue reliance on these forward-looking statements.

We have no intention to update or revise forward-looking statements, or to publish prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained in this prospectus, except where required by law.

These forward looking statements are subject to various risk factors that could cause our actual results to differ materially from the results expressed or anticipated in these statements. These risk factors are set out in Section 6 of this Prospectus.

2.7 Disclaimer

No person is authorised to give any information or to make any representation in connection with the Offer described in this Prospectus which is not contained in this Prospectus. Any information not so contained may not be relied upon as having been authorised by the Company or any other person in connection with the Offer. You should rely only on information in this Prospectus.

2.8 Target Market Determination

A target market determination statement is not included for the offer of Options under this Prospectus due to the fact that the design and distribution obligations do not apply to an offer of Options to investors who fall within the exceptions set out in section 708 of the Corporations Act.

3. DETAILS OF THE OFFER

3.1 Offer

Under this Prospectus, the Company invites investors identified by the Directors to apply for up to 2,000 Shares at an issue price of \$0.033 per Share, and up to 1,000 Options at an issue price of \$0.004 per Option, to raise up to \$70 (before expenses).

The Offer will only be extended to specific parties on invitation from the Directors. Application Forms will only be provided by the Company to these parties.

All of the Shares offered under this Prospectus will rank equally with Shares on issue at the date of this Prospectus. Please refer to Section 5.1 for further information regarding the rights and liabilities of the Shares on issue as at the date of this Prospectus.

All of the Options offered under this Prospectus have an exercise price of \$0.03 and expiry date of 30 September 2024, and will be issued on the terms and conditions set out in Section 5.2. All Shares issued upon exercise of the Options will rank equally with the Shares on issue as at the date of this Prospectus. The Options offered are in the same class of quoted securities under ASX ticker code BPHOB.

3.2 Background to the Placement

On 9 February 2024, the Company announced that it had received firm commitments from new sophisticated and professional investors for the issue of 68,183,943 Shares at an issue price of \$0.033 per Share (**Placement Shares**) to raise up to \$2,250,000 (before costs) (**Placement**).

The Company also announced that participants in the Placement would be issued one (1) free attaching Option for every two (2) Shares subscribed for and issued to them under the Placement (**Placement Options**). A total of 34,091,971 Placement Options will be issued and will be exercisable at \$0.03 per Placement Option on or before 30 September 2024. The Placement Options will be issued under a class of Options that is already listed and quoted under ASX ticker code BPHOB.

The Placement Shares and Placement Options will be issued pursuant to the Company's existing placement capacity under ASX Listing Rule 7.1.

The funds raised under the Placement will be used for general working capital and for the next phase of the Company's hydrogen investments and hydrocarbon funding as follows:

- (a) \$1,750,000 – funding for exploration and development of oil and gas investments;
- (b) \$300,000 – funding for Cortical Dynamics; and
- (c) \$200,000 – general working capital, including the costs of the Offer.

No funds will be raised from the issue of the Placement Options as they are being issued free attaching with the Placement Shares.

Lead Manager

As announced on 9 February 2024, the Company appointed Oakley Capital Partners Pty Limited (**Oakley Capital**), Everblu Capital Corporate Pty Ltd (**Everblu**)

and Sixty-Two Capital Pty Ltd (**Sixty-Two Capital**) as the joint Lead Managers for the Placement.

Pursuant to agreements each dated 6 February 2024, EverBlu and Sixty-Two Capital will receive a cash fee of 5% of the funds raised by it in the Placement in consideration for their services and will also be issued 8,250,000 Options pro rata to their participation in the Placement, exercisable at \$0.03 per Placement Option on or before 30 September 2024 (**Broker Options**), comprising:

- (a) 7,500,000 Broker Options will be issued to Everblu; and
- (b) 750,000 will be issued to Sixty-Two Capital.

The Company confirms that Oakley Capital will not receive any fees or Broker Options.

The Broker Options will be issued pursuant to the Company's placement capacity under ASX Listing Rule 7.1 and will be issued in a class of Options that is already listed and quoted under the ASX ticker code BPHOB.

3.3 Objective

The Company is seeking to raise only a nominal amount of \$70 under this Prospectus and, accordingly, the purpose of this Prospectus is not to raise capital.

The primary purpose of this Prospectus is to remove any trading restrictions that may have attached to Securities issued by the Company prior to the Closing Date.

Relevantly, section 708A(11) of the Corporations Act provides that a sale offer does not need disclosure to investors if:

- (a) the relevant securities are in a class of securities that are quoted securities of the body; and
- (b) either:
 - (i) a prospectus is lodged with the ASIC on or after the day on which the relevant securities were issued but before the day on which the sale offer is made; or
 - (ii) a prospectus is lodged with ASIC before the day on which the relevant securities are issued and offers of securities that have been made under the prospectus are still open for acceptance on the day on which the relevant securities were issued; and
- (c) the prospectus is for an offer of securities issued by the body that are in the same class of securities as the relevant securities.

3.4 Application for Securities

Applications for Securities must be made by investors at the direction of the Company and must be made using the Application Form accompanying this Prospectus.

Payment for the Securities must be made in full at the issue price of \$0.033 per Share and \$0.004 per Option.

Completed Application Forms and accompanying cheques must be mailed or delivered to the Company as follows:

Delivery by hand	Delivery by post
Unit 12, Level 1 114 Cedric Street STIRLING WA 6021	Unit 12, Level 1 114 Cedric Street STIRLING WA 6021

Cheques should be made payable to “**BPH Energy Limited**” and crossed “**Not Negotiable**”. Completed Application Forms and cheques must reach the address set out above by no later than the Closing Date.

3.5 Minimum subscription

There is no minimum subscription.

3.6 Issue of Securities

Issue of Securities under the Offer will take place as soon as practicable after the Closing Date. Application moneys will be held in a separate subscription account until the Securities are issued. This account will be established and kept by the Company in trust for each Applicant. Any interest earned on the application moneys will be for the benefit of the Company and will be retained by the Company irrespective of whether any Shares are issued, and each Applicant waives the right to claim any interest.

The Directors will determine the recipients of all the Securities. The Directors reserve the right to reject any application or to allocate any Applicant fewer Shares than the number applied for.

Where the number of Securities issued is less than the number applied for, the surplus moneys will be returned by cheque as soon as practicable after the Closing Date. Where no issue of Securities is made, the amount tendered on application will be returned in full by cheque as soon as practicable after the Closing Date. Interest will not be paid on moneys refunded.

3.7 ASX listing

Application for Official Quotation of the Securities offered pursuant to this Prospectus will be made within 7 days of the date of this Prospectus. If ASX does not grant Official Quotation of the Securities offered pursuant to this Prospectus before the expiration of 3 months after the date of issue of the Prospectus, (or such period as varied by the ASIC), the Company will not issue any Securities and will repay all application monies for the Securities within the time prescribed under the Corporations Act, without interest.

The fact that ASX may grant Official Quotation to the Securities is not to be taken in any way as an indication of the merits of the Company or the Securities now offered for subscription.

3.8 Restrictions on the distribution of the Prospectus

The distribution of this Prospectus outside the Commonwealth of Australia may be restricted by law.

This Offer does not, and is not intended to, constitute an offer in any place or jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer or to issue this Prospectus.

Residents of countries outside Australia should consult their professional advisers as to whether any government or other consents are required, or whether any formalities need to be observed should they wish to make an application to take up Securities on the basis of this Prospectus. The return of a duly completed Application Form will be taken to constitute a representation and warranty that there has been no breach of such laws and that all approvals and consents have been obtained.

3.9 Enquiries

Any questions concerning the Offer should be directed to David Breeze, Company Secretary, on +61 08 9328 8366.

4. PURPOSE AND EFFECT OF THE OFFER

4.1 Purpose of the Offer

The primary purpose of this Prospectus is to remove any trading restrictions that may have attached to Securities issued by the Company prior to the Closing Date (including prior to the date of this Prospectus).

Accordingly, the Company is seeking to raise only a nominal amount of \$70 under the Offer and, therefore the purpose of the Offer is not to raise capital. All of the funds raised from the Offer will be applied towards the expenses of the Prospectus. Refer to Section 7.8 of this Prospectus for further details relating to the estimated expenses of the Offer.

4.2 Effect of the Offer on capital structure

The effect of the Offer on the Company's capital structure is set out below.

Shares ¹	Number
Shares currently on issue	1,028,362,230
Placement Shares to be issued under the Placement ²	68,183,943
Shares offered under this Prospectus ³	2,000
Total Shares on issue on completion of the Offer³	1,096,548,173

Notes:

1. The rights and liabilities attaching to the Shares are summarised in Section 5.1 of this Prospectus.
2. As announced on 9 February 2024 and set out above in Section 3.2, 68,183,943 Placement Shares will be issued by the Company at an issue price of \$0.033 per Share prior to the Closing Date.
3. This assumes the Offer is fully subscribed and no Options are exercised.

Options ¹	Number
Unlisted Options, exercisable at \$0.02 each on or before 30 November 2024	1,200,000
Unlisted Options, exercisable at \$0.05 each on or before 7 December 2028	5,250,000
Unlisted Options, exercisable at \$0.03 on or before 30 September 2024	15,000,000
Listed Options, exercisable at \$0.03 on or before 30 September 2024	498,504,134
Total Options on Issue	519,954,134
Placement Options to be issued under the Placement	34,091,971
Broker Options to be issued under the Placement	8,250,000
Options offered under this Prospectus	1,000
Total Options on issue following completion of the Cleansing Offer	562,297,105

Notes:

1. The rights and liabilities attaching to the Options are summarised in Section 5.2 of this Prospectus.

Performance Rights	Number
Performance Rights to be issued	58,000,000
Total Performance Rights to be issued	58,000,000

Notes:

1. Refer to the Company's Notice of AGM dated 27 October 2023 for details of the Performance Rights, including their terms and conditions. Shareholders approved the issue of 58,000,000 Performance Rights to Director, David Breeze, under the Company's Incentive Options and Performance Rights Plan. These have not yet been issued and will be issued upon the applicable milestones being achieved.

After expenses of the Offer of approximately \$10,000, there will be no proceeds from the Offer. The expenses of the Offer (exceeding \$70) will be met from the Company's existing cash reserves.

As such, the Offer will have an effect on the Company's financial position, being receipt of funds of \$70 less costs of preparing the Prospectus of approximately \$10,000.

5. RIGHTS AND LIABILITIES ATTACHING TO SECURITIES

The following is a summary of the more significant rights and liabilities attaching to the Securities being offered pursuant to this Prospectus. This summary is not exhaustive and does not constitute a definitive statement of the rights and liabilities of Shareholders. To obtain such a statement, persons should seek independent legal advice.

Full details of the rights and liabilities attaching to the Securities are set out in the Constitution, a copy of which is available for inspection at the Company's registered office during normal business hours.

5.1 Rights and liabilities attaching to Shares

(a) General meetings

Shareholders are entitled to be present in person, or by proxy, attorney or representative to attend and vote at general meetings of the Company.

Shareholders may requisition meetings in accordance with section 249D of the Corporations Act and the Constitution of the Company.

(b) Voting rights

Subject to any rights or restrictions for the time being attached to any class or classes of shares, at general meetings of shareholders or classes of shareholders:

- (i) each Shareholder entitled to vote may vote in person or by proxy, attorney or representative;
- (ii) on a show of hands, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder has one vote; and
- (iii) on a poll, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder shall, in respect of each fully paid Share held by him, or in respect of which he is appointed a proxy, attorney or representative, have one vote for each Share held, but in respect of partly paid shares shall have such number of votes as bears the same proportion to the total of such Shares registered in the Shareholder's name as the amount paid (not credited) bears to the total amounts paid and payable (excluding amounts credited).

(c) Dividend rights

Subject to the rights of any preference Shareholders and to the rights of the holders of any shares created or raised under any special arrangement as to dividend, the Directors may from time to time declare a dividend to be paid to the Shareholders entitled to the dividend which shall be payable on all Shares according to the proportion that the amount paid (excluding amounts credited) in respect of such Shares.

The Directors may from time to time pay to the Shareholders any interim dividends as they may determine. No dividend shall carry interest as against the Company. The Directors may set aside out of the profits of the Company any amounts that they may determine as reserves, to be

applied at the discretion of the Directors, for any purpose for which the profits of the Company may be properly applied.

Subject to the ASX Listing Rules and the Corporations Act, the Company may, by resolution of the Directors, implement a dividend reinvestment plan on such terms and conditions as the Directors think fit and which provides for any dividend which the Directors may declare from time to time payable on Shares which are participating Shares in the dividend reinvestment plan, less any amount which the Company shall either pursuant to the Constitution or any law be entitled or obliged to retain, be applied by the Company to the payment of the subscription price of Shares.

(d) **Winding-up**

If the Company is wound up, the liquidator may, with the authority of a special resolution, divide among the Shareholders in kind the whole or any part of the property of the Company, and may for that purpose set such value as he considers fair upon any property to be so divided, and may determine how the division is to be carried out as between the Shareholders or different classes of Shareholders.

The liquidator may, with the authority of a special resolution, vest the whole or any part of any such property in trustees upon such trusts for the benefit of the contributories as the liquidator thinks fit, but so that no Shareholder is compelled to accept any shares or other securities in respect of which there is any liability.

(e) **Shareholder liability**

As the Shares issued will be fully paid shares, they will not be subject to any calls for money by the Directors and will therefore not become liable for forfeiture.

(f) **Transfer of shares**

Generally, shares in the Company are freely transferable, subject to formal requirements, the registration of the transfer not resulting in a contravention of or failure to observe the provisions of a law of Australia and the transfer not being in breach of the Corporations Act and the ASX Listing Rules.

(g) **Future increase in capital**

The issue of any new Shares is under the control of the Directors of the Company. Subject to restrictions on the issue or grant of securities contained in the ASX Listing Rules, the Constitution and the Corporations Act (and without affecting any special right previously conferred on the holder of an existing share or class of shares), the Directors may issue Shares as they shall, in their absolute discretion, determine.

(h) **Variation of rights**

Under section 246B of the Corporations Act, the Company may, with the sanction of a special resolution passed at a meeting of Shareholders vary or abrogate the rights attaching to Shares.

If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms

of issue of the shares of that class), whether or not the Company is being wound up, may be varied or abrogated with the consent in writing of the holders of three quarters of the issued shares of that class, or if authorised by a special resolution passed at a separate meeting of the holders of the shares of that class.

(i) **Alteration of constitution**

In accordance with the Corporations Act, the Constitution can only be amended by a special resolution passed by at least three quarters of Shareholders present and voting at the general meeting. In addition, at least 28 days written notice specifying the intention to propose the resolution as a special resolution must be given.

5.2 Terms of Options

(a) **Entitlement**

Each Option entitles the holder to subscribe for one (1) Share upon exercise of the Option.

(b) **Exercise Price**

Subject to paragraph (i), the amount payable upon exercise of each Option will be \$0.03 (**Exercise Price**).

(c) **Expiry Date**

Each Option will expire at 5:00pm (WST) on 30 September 2024 (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(d) **Exercise Period**

The Options are exercisable at any time on or prior to the Expiry Date (**Exercise Period**).

(e) **Notice of Exercise**

The Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

(f) **Exercise Date**

A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds (**Exercise Date**).

(g) **Timing of issue of Shares on exercise**

Within 5 Business Days after the Exercise Date, the Company will:

- (i) issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the

Notice of Exercise and for which cleared funds have been received by the Company;

- (ii) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and
- (iii) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.

If a notice delivered under (g)(ii) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 Business Days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.

(h) **Shares issued on exercise**

Shares issued on exercise of the Options rank equally with the then issued shares of the Company.

(i) **Reconstruction of capital**

If at any time the issued capital of the Company is reconstructed, all rights of an Optionholder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.

(j) **Participation in new issues**

There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options.

(k) **Change in exercise price**

A Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Option can be exercised.

(l) **Transferability**

The Options are transferable subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities laws.

6. RISK FACTORS

6.1 Introduction

The Securities offered under this Prospectus are considered highly speculative. An investment in the Company is not risk free and the Directors strongly recommend potential investors to consider the risk factors described below, together with information contained elsewhere in this Prospectus and to consult their professional advisers before deciding whether to apply for Shares pursuant to this Prospectus.

There are specific risks which relate directly to the Company's business. In addition, there are other general risks, many of which are largely beyond the control of the Company and the Directors. The risks identified in this Section, or other risk factors, may have a material impact on the financial performance of the Company and the market price of the Securities.

The following is not intended to be an exhaustive list of the risk factors to which the Company is exposed.

6.2 Company specific

(a) Going Concern Risk

The Company's annual financial report for the year ending 30 June 2023 (**Annual Report**) has been prepared on a going concern basis, which assumes the continuity of normal business activities and the realisation of assets and the settlement of liabilities in the ordinary course of business and the realisation of assets and the settlement of liabilities in the ordinary course of business.

The Annual Report notes that the consolidated entity has incurred a net profit after tax for the year ending 30 June 2023 of \$852,332 (2022: loss of \$1,078,581) and has a net cash outflow from operating activities of \$1,050,582 (2022: outflow of \$1,022,124). The consolidated entity has a working capital surplus of \$6,011,749 (2022: surplus of \$2,145,178).

The Directors believe that following completion of the Placement, the consolidated entity should have sufficient cash flows for a period of at least 12 months from the date of the Annual Report.

(b) Additional Requirements for Capital

Additional funding may be required in the event future costs exceed the Company's estimates and to effectively implement its business and operations plans in the future, to take advantage of opportunities for acquisitions, joint ventures or other business opportunities, and to meet any unanticipated liabilities or expenses which the Company may incur.

(c) Renewal of Exploration Permit

The Company's 35.8% investee, Advent Energy Limited (**Advent**), holds through its wholly owned subsidiary Asset Energy Pty Ltd (**Asset Energy**), 85% of the PEP11 Permit, an exploration permit prospective for natural gas located in the Offshore Sydney Basin. Advent has two continuing applications with National Offshore Petroleum Titles Administrator (**NOPTA**) for suspension and extension of the PEP11 permit, the first lodged in December 2019 and the second in January 2021.

Advent is actively and constructively engaging with the regulator to bring this matter to a satisfactory conclusion in favour of Advent and, by implication, the Company. Advent has provided additional information to NOPTA in response to requests for updated information subsequent to the decision made in the Federal Court proceedings (set out below at Section 7.1).

This investment comprises a significant portion of the Company's potential asset base. If Asset Energy loses its right of tenure in respect of PEP11, then the Company's book value of capitalised exploration and evaluation expenditure of \$14.83 million will need to be written off. The imposition of new conditions by NOPTA or the inability to meet those conditions may adversely affect the operations of the Joint Venture, financial position and/or performance of the Company.

The Directors of the Company have confidence that a suitable outcome will be achieved, however there is no certainty that the application will be successful when considered by NOPTA. Subject to the decision of the NOPTA, Bounty Oil and Gas NL (ASX:BUY) (Asset Energy's Joint Venture partner) and Asset Energy will move to drill ready status. If the application is unsuccessful, the PEP11 Permit is at risk.

Asset Energy continues to progress the applications for the variation and suspension of work program conditions and extension of the PEP11 permit and has provided NOPTA with additional information in relation to the applications.

In the meantime, the PEP 11 Permit continues in force and the Joint Venture is in compliance with the contractual terms of PEP 11 with respect to such matters as reporting, payment of rents and the various provisions of the *Offshore Petroleum and Greenhouse Gas Storage Act 2006* (Cth) (**Act**).

(d) **Nature of the Company's existing investments**

The Company's investments as at 31 December 2023, include its equity investment of 35.8% in Advent, with a carrying value of \$3.63 million, a 16.4% interest in Cortical Dynamics Ltd with a carrying value of \$6.49 million, and an 8% interest in Clean Hydrogen Technologies Corporation (representing BPH's first tranche of investment into Clean Hydrogen) with a carrying value of \$1.14 million.

Clean Hydrogen Technologies Corporation

BPH's Shareholders approved an investment in a hydrogen technology company, Clean Hydrogen Technologies Corporation (**Clean Hydrogen**) at a Shareholders' meeting held on 21 June 2022.

BPH and Advent (together, the **Purchasers**) entered into a binding Term Sheet with Clean Hydrogen, pursuant to which the Purchasers agreed to subscribe for fully paid shares in Clean Hydrogen (**Subscription Shares**), representing a total of 10% of the total issued share capital of Clean Hydrogen after the issue of the Subscription Shares (**Subscription Shares Tranche 1**). The Purchasers had a further right of refusal to invest a further maximum of US\$1,000,000 for an additional 10% interest in Clean Hydrogen.

Advent has lent Clean Hydrogen US\$500,000 in accordance with unsecured loan agreements on normal commercial terms. The loans

have been funded by monies loaned by the Company to Advent. The Purchasers have made further loans to Clean Hydrogen in tranches whereby a total of US\$950,000 has been advanced to Clean Hydrogen.

As announced by the Company on 11 October 2023, the Purchasers and Clean Hydrogen have entered into a Loan Conversion Agreement whereby the Purchaser's now hold a 19.5% interest in Clean Hydrogen (15.6% interest - BPH and 3.9% interest - Advent). The Company notes that at the time of the Prospectus, the contemplated securities under the loan conversion agreement have not yet been issued to the Purchasers, however the Purchasers have an entitlement to these securities.

Mr Tony Huston, a director of the Company, has also been appointed as a director to the board of Clean Hydrogen.

Cortical Dynamics Limited

Investee Cortical Dynamics Limited (**Cortical**) is an Australian based medical device neurotechnology company that is developing BARM™, an industry leading EEG (electrical activity) brain function monitor. BARM™ is being developed to better detect the effect of anaesthetic agents on brain activity under a general operation, aiding anaesthetists in keeping patients optimally anaesthetised. The Australian manufactured and designed, electroencephalographically based (EEG-based), BARM™ system is configured to efficiently image and display complex information related to the clinically relevant state of the brain. When commercialized the BARM™ system will be offered on a stand-alone basis or integrated into leading brand operating room monitors as "plug and play" option.

As announced by the Company on 4 September 2023, Cortical has secured FDA 510(k) clearance in the United States of America, which is a major milestone in the development of Cortical. BARM™ has already received TGA approval in Australia, Korean MFDS approval in South Korea, and the CE mark (Europe).

The BARM™ system is protected by five patent families in multiple jurisdictions worldwide consisting of 36 granted patents. Cortical will continue to drive the development of BARM™ and maintain its intellectual property.

Cortical is working on an enhanced version of BARM™ with its partner the Austrian Institute of Technology (AIT) based in Vienna, which will include upgrades to the software, hardware, and firmware.

Further information

The Company can make no representations that any of the above projects will be successful, that the Company's development milestones will be achieved or that it will develop products that are commercially exploitable.

Further, the Company's success depends, in part, on Cortical and Clean Hydrogen's ability to obtain patents, maintain trade secret protection and operate without infringing the proprietary rights of third parties. Because the patent positions of biotechnology companies can be highly uncertain and frequently involve complex legal and scientific evaluation, neither the breadth of claims allowed in medical device patents, nor their enforceability, can be predicted. There can be no assurance that any

patents the Company may own or control or license now and, in the future, will afford the Company commercially significant protection of its intellectual property or its projects or have commercial application.

(e) **COVID-19**

The outbreak of the coronavirus disease (**COVID-19**) is impacting global economic markets. The nature and extent of the effect of the outbreak on the performance of the Company remains unknown. The Company's Share price may be adversely affected in the short to medium term by the economic uncertainty caused by COVID-19. Further, any governmental or industry measures taken in response to COVID-19 may adversely impact the Company's operations and are likely to be beyond the control of the Company.

(f) **Loans and company specific investments**

As at 31 December 2023 the Company is owed \$4.71 million (including applicable interest to 31 December 2023) by Advent. The Company is also owed \$0.17 million by MEC Resources Limited and a secured loan of \$120,000 was made to Cortical Dynamics Limited. All loans were made on normal commercial terms.

The above conditions indicate a material uncertainty that may affect the ability of Advent to realise the carrying value of the exploration assets in the ordinary course of business and may affect the ability of the Company to realise the carrying value of its loan receivable and its investment in Advent in the ordinary course of business.

The funds raised under the Placement are considered sufficient to meet the current proposed objectives of the Company. The Company may seek to raise further funds through equity or debt financing, joint ventures, or other means. There can be no assurance that additional finance will be available when needed or, if available, the terms of the financing might not be favourable to the Company and might involve substantial dilution to Shareholders.

(g) **Related party risk**

The Company has a number of key contractual relationships with related parties including with Grandbidge Limited, Trandcorp Pty Limited, Molecular Discovery Systems Limited and Advent. If these relationships breakdown and the related party agreements are terminated, there is a risk that the Company may not be able to find a satisfactory replacement.

Further, the operations of the Company will require involvement of related parties and other third parties including suppliers, manufacturers, and customers. With respect to these persons and despite applying best practice in terms of pre-contracting due diligence, the Company is unable to completely avoid the risk of:

- (i) financial failure or default by a participant in any agreement to which the Company may become a party; and/or
- (ii) insolvency, default on performance or delivery by any operators, contractors, or service providers.

There is also a risk that where the Company has engaged a contractor who is a related party, the contract between the contractor and the Company may terminate for reasons outside of the control of the Company. This may then result in the termination of the contract between the Company and the contractor and impact the Company's position, performance, and reputation.

6.3 Industry specific

(a) Research and development

The Company can make no representation that any of its research into or development of the technologies will be successful, that the development milestones will be achieved, or that the Technologies will be developed into products that are commercially exploitable. There are many risks inherent in the development of biotechnology products, particularly where the products are in the early stages of development. Projects can be delayed or fail to demonstrate any benefit, or research may cease to be viable for a range of scientific and commercial reasons.

(b) Oil and gas industry risks

The Company has a 35.8% interest in Advent. Risks associated with this significant investment include but are not limited to risks associated with failure to discover an economic reserve or successfully produce from a reserve, fluctuations in oil and gas prices, no guarantee of permit renewals or granting of production licences, all of which could have a material adverse effect on the Company's investment.

(i) **Illiquid investment:** as Advent is an unlisted entity, there is a risk that there will not be a ready market for the Company to sell its Advent shares.

(ii) **Oil and gas exploration:** the business of oil and gas exploration, project development and production, by its nature, contains elements of significant risk with no guarantee of success. A failure to discover an economic reserve, or to successfully produce from such a reserve, will adversely affect Advent's performance and have a resulting effect on the value of the Company's investment in Advent Energy.

(iii) **Oil and gas price volatility:** The demand for, and price of, oil and natural gas is highly dependent on a variety of factors, including international supply and demand, the level of consumer product demand, weather conditions, the price and availability of alternative fuels, actions taken by governments and international cartels, and global economic and political developments. International oil and gas prices have fluctuated widely in recent years and may continue to fluctuate significantly in the future. Fluctuations in oil and gas prices and, in particular, a material decline in the price of oil or gas may have a material adverse effect on Advent's business, financial condition and results of operations.

(iv) **Exploration and production licences:** Advent's operations are dependent upon the grant of appropriate licences, concessions, leases, permits and regulatory consents, which may be withdrawn or made subject to limitations. There is no guarantee that, upon completion of any exploration, a production licence

will be granted with respect to exploration territory. There can also be no assurance that any exploration permit will be renewed or if so, on what terms. These licences place a range of past, current and future obligations on Advent. In some cases, there could be adverse consequences for breach of these obligations, ranging from penalties to, in extreme cases, suspension or termination of the relevant licence or related contract. These may then affect the Company's investment in Advent.

- (v) **Expansion targets and operational delays:** There can be no assurance that Advent will be able to complete any development of its properties on time or to budget, or that the current personnel, systems, procedures and controls will be adequate to support Advent's operations. Any failure of management to identify problems at an early stage could have an adverse impact on Advent's financial performance.
- (vi) **Resources, reserves and production:** The figures for oil & gas reserves and resources presented in this Prospectus where given are estimates and no assurance can be given that the anticipated figures will be achieved or that the indicated level of recovery will be realised. Market fluctuations in the price of oil & gas may render oil & gas reserves and resources uneconomical. Moreover, short-term operating factors relating to oil & gas reserves and resources, such as the need for orderly development of an oil & gas reservoir may cause an oil & gas operation to be unprofitable in any particular accounting period.
- (vii) **Limited operating history:** Advent may not have assets producing positive cash flow and its ultimate success may depend on its ability to generate cash flow from active oil & gas operations in the future and its ability to access equity markets for its development requirements. Advent has not made profits to date and there is no assurance that it will do so in the future. A portion of Advent's activities will be directed to the search for and the development of new oil & gas deposits.

Significant capital investment will be required to achieve commercial production from Advent's existing projects and from successful exploration efforts. There is no assurance that Advent will be able to raise the required funds to continue these activities.

- (viii) **Additional financing:** Advent is required to fund its share of approved exploration expenditure on certain of the properties on which it has exploration rights, failing which Advent's exploration rights in the relevant property may be either reduced or forfeited. Advent may acquire exploration rights in other exploration properties which may require acquisition payments to be made and exploration expenditures to be incurred. The only sources of funding currently available to Advent are through the issue of additional equity capital, project finance or borrowing.

There is no assurance that Advent will be successful in raising sufficient funds to commence drilling or production operations or to meet its obligations with respect to the exploration properties

in which it has or may acquire exploration rights. The Directors currently believe that Advent's working capital will not be sufficient to fund operations. Advent will therefore have to seek additional financing for operations at a later date.

- (ix) **Regulatory approvals:** Advent's operations and the exploration agreements which it has entered into require approvals, licences and permits from various regulatory authorities, governmental and otherwise (including project specific governmental decrees). Such approvals, licences and permits are subject to change in various circumstances and further project specific governmental decrees and/or legislative enactments may be required.

There can be no guarantee that Advent will be able to obtain or maintain all necessary approvals, licences and permits that may be required and/or that all project specific governmental decrees and/or required legislative enactments will be forthcoming to explore for oil & gas and develop the properties on which it has exploration rights, commence construction or operation of production facilities or to maintain continued operations that economically justify the costs involved.

- (x) **Environmental factors:** Advent's operations are subject to environmental regulation (including regular environmental impact assessments and the requirement to obtain and maintain certain permits) in all the jurisdictions in which it operates. Such regulation covers a wide variety of matters, including, without limitation, prevention of waste, pollution and protection of the environment, labour regulations and health and safety. Advent may also be subject under such regulations to clean-up costs and liability for toxic or hazardous substances which may exist on or under any of its properties or which may be produced as a result of its operations.

Environmental legislation and permitting requirements are likely to evolve in a manner which will require stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their directors and employees.

- (xi) **Competition:** The oil & gas exploration and production business is competitive in all of its phases. Advent competes with numerous other companies and individuals, including competitors with greater financial, technical and other resources than itself, in the search for and acquisition of exploration and development rights on attractive oil & gas properties.

Advent's ability to acquire exploration and development rights on properties in the future will depend not only on its ability to develop the properties on which it currently has exploration and development rights, but also on its ability to select and acquire exploration and development rights on suitable properties for exploration and development. There is no assurance that Advent will continue to be able to compete successfully with its competitors in acquiring exploration and development rights on such properties.

- (xii) **Currency risk:** Currency fluctuations may affect the cash flow that Advent hopes to realise from its operations, as oil and gas is sold and traded on the world markets in United States dollars. Advent's costs are incurred primarily in Australian dollars and United States dollars.
- (xiii) **Uninsured risks:** Advent, as a participant in exploration and mining programmes, may become subject to liability for hazards that cannot be insured against or against which it may elect not to be so insured because of high premium costs. Advent may incur a liability to third parties (in excess of any insurance cover) arising from pollution or other damage or injury.
- (xiv) **Market perception:** Market perception of small oil & gas exploration companies may change and this could impact on the value of the Company's holdings and impact on Advent's ability to raise further equity capital.

(c) **Regulatory risk**

The introduction of new legislation or amendments to existing legislation by governments, developments in existing common law, or the respective interpretation of the legal requirements in any of the legal jurisdictions which govern the Company's operations or contractual obligations, could impact adversely on the assets, operations and, ultimately, the Company's financial performance and its Securities. In addition, there is a commercial risk that legal action may be taken against the Company in relation to commercial matters.

(d) **Development and commercialisation of technologies**

Securing rights to technologies, and in particular patents, is an integral part of securing potential product value in the outcomes of biotechnology research and development. Competition in retaining and sustaining protection of technologies and the complex nature of technologies can lead to expensive and lengthy patents disputes for which there can be no guaranteed outcome.

The granting of a patent does not guarantee that the rights of others are not infringed or that competitors will not develop competing technologies that circumvents such patents. The Company's success depends, in part, on its ability to obtain patents, maintain trade secret protection and operate without infringing the proprietary rights of third parties. Because the patent position of biotechnology companies can be highly uncertain and frequently involve complex legal and scientific evaluation, neither the breadth of claims allowed in biotechnology patents, nor their enforceability can be predicted. There can be no assurance that any patents the Company or Universities may own or control or licence now and in the future will afford the Company commercially significant protection of the technologies, or that any of the projects that may arise from the technologies will have commercial applications.

Although the Company is not aware of any third party interests in relation to the technologies rights of the technologies, and has taken steps to protect and confirm its interest in these rights, there is always a risk of third parties claiming involvement in technological and medical discoveries, and if any disputes arise, they could adversely affect the Company.

Although the Company will implement all reasonable endeavours to protect its technologies, there can be no assurance that these measures have been or will be sufficient.

(e) **Potential Acquisitions**

As part of its business strategy, the Company may make acquisitions of or significant investments in complementary companies, products or technologies. Any such future transactions would be accompanied by the risks commonly encountered in making acquisitions of companies, products and technologies.

(f) **Climate Change Risks**

Transitioning to a lower-carbon economy may entail extensive policy, legal, technology and market changes to address mitigation and adaptation requirements related to climate change. Depending on the nature, speed and focus of these changes, transition risks may pose varying levels of financial and reputational risk to the Company. While the Company will endeavour to manage these risks and limit any consequential impacts, there can be no guarantee that the Company will not be impacted by these occurrences.

The climate change risks particularly attributable to the Company include:

- (i) the emergence of new or expanded regulations associated with the transitioning to a lower-carbon economy and market changes related to climate change mitigation. The Company may be impacted by changes to local or international compliance regulations related to climate change mitigation efforts, or by specific taxation or penalties for carbon emissions or environmental damage. These examples sit amongst an array of possible restraints on industry that may further impact the Company and its business viability. While the Company will endeavour to manage these risks and limit any consequential impacts, there can be no guarantee that the Company will not be impacted by these occurrences; and
- (ii) climate change may cause certain physical and environmental risks that cannot be predicted by the Company, including events such as increased severity of weather patterns and incidence of extreme weather events and longer-term physical risks such as shifting climate patterns. All these risks associated with climate change may significantly change the industry in which the Company operates.

(g) **Negative publicity may adversely affect the Share price**

Any negative publicity or announcement relating to any of the Company's substantial Shareholders, key personnel or activities may adversely affect the stock performance of the Company, whether or not this is justifiable. Examples of such negative publicity or announcements may include involvement in legal or insolvency proceedings, failed attempts in takeovers, joint ventures or other business transactions. No such issues are currently known to affect the Company.

(h) **Environment**

The Company's operations in Australia are not regulated by any significant environmental regulation under the law of the Commonwealth or any State or Territory.

6.4 General risks

(a) **Economic conditions and other global or national issues**

General economic conditions, introduction of tax reform, new legislation, movements in interest and inflation rates and currency exchange rates may have an adverse effect on the Company's investment, development and production activities, as well as on its ability to fund those activities.

(b) **Changes in government policy and legislation**

Any material adverse changes in relevant government policies or legislation of Australia may affect the viability and profitability of the Company, and consequent returns to investors. The activities of the Company are subject to various federal, state and local laws governing prospecting, development, production, taxes, labour standards and occupational health and safety, and other matters.

(c) **Ukraine Conflict**

The current conflict between Ukraine and Russia (**Ukraine Conflict**) is impacting global economies and financial markets. The nature and extent of the effect the Ukraine Conflict may have on the Company's operations remains uncertain at this time. In the short to medium term, the Company's Share price may be adversely affected by the economic uncertainty caused by the Ukraine Conflict and the wider effect the conflict has on global economies and financial markets.

The Directors are monitoring the potential secondary and tertiary macroeconomic impacts of the Ukraine Conflict, including the fluctuations in commodity and energy prices and the potential risk of cyber activity impacting governments and businesses. Further, any governmental or industry measures taken in response to the Ukraine Conflict, including limitations on travel and changes to import/export restrictions and arrangements involving Russia, may adversely impact the Company's operations and are likely to be beyond the control of the Company.

(d) **Israeli-Palestinian Conflict**

The ongoing military and political conflict between Israel and Palestine (**Israeli-Palestinian Conflict**) is likely to impact global economies and financial markets. The nature and extent of the Israeli-Palestinian Conflict, and the effects that the conflict may have on the Company's operations, remains uncertain at this time. In the short to medium term, the Company's Share price may be adversely affected by the volatile nature of the Israeli-Palestinian Conflict and the wider, unknown economic effect the conflict may have on global economies and financial markets.

The Directors are monitoring the potential secondary and tertiary macroeconomic impacts of the Israeli-Palestinian Conflict, including the fluctuations in oil, gas and other commodity prices impacting governments and businesses. Further, any governmental or industry measures taken in response to the Israeli-Palestinian Conflict, including

limitations on travel and changes or halts to international trade channels, may adversely impact the Company's operations and are beyond the control of the Company.

(e) **Reliance on key management and personnel**

The Company is dependent on its management, the loss of whose services could materially and adversely affect the Company and impede the achievements of its research and development objectives. Because of the specialised nature of the Company's business, its ability to commercialise its products and maintain its research programme will depend in part upon its ability to attract and retain suitably qualified management, scientists and research people over time. There can be no assurance that the Company will be able to attract or retain sufficiently qualified personnel on a timely basis, retain its key scientific and management personnel, or maintain its relationship with key scientific organisations.

(f) **Market conditions**

Share market conditions may affect the value of the Company's quoted securities regardless of the Company's operating performance. Share market conditions are affected by many factors such as:

- (i) general economic outlook;
- (ii) introduction of tax reform or other new legislation;
- (iii) interest rates and inflation rates;
- (iv) changes in investor sentiment toward particular market sectors;
- (v) the demand for, and supply of, capital; and
- (vi) terrorism or other hostilities.

The market price of securities can fall as well as rise and may be subject to varied and unpredictable influences on the market for equities in general and resource exploration stocks in particular. Neither the Company nor the Directors warrant the future performance of the Company or any return on an investment in the Company.

Applicants should be aware that there are risks associated with any securities investment. Securities listed on the stock market, and in particular securities of exploration companies experience extreme price and volume fluctuations that have often been unrelated to the operating performance of such companies. These factors may materially affect the market price of the shares regardless of the Company's performance.

(g) **Insurance**

Expenditure may need to be incurred that has not been taken into account in the preparation of this Prospectus. Although the Company is not aware of any such additional expenditure requirements, if such expenditure is subsequently incurred, this may adversely affect the expenditure proposals of the Company.

(h) **Dividends**

Any future determination as to the payment of dividends by the Company will be at the discretion of the Directors and will depend on the financial condition of the Company, future capital requirements and general business and other factors considered relevant by the Directors. No assurance in relation to the payment of dividends or franking credits attaching to dividends can be given by the Company.

(i) **Litigation**

The Company is exposed to possible litigation risks including, but not limited to, intellectual property ownership disputes, contractual claims, environmental claims, occupational health and safety claims and employee claims. Further, the Company may be involved in disputes with other parties in the future which may result in litigation. Any such claim or dispute if proven, may impact adversely on the Company's operations, financial performance and financial position.

Other than as disclosed in this Prospectus, the Company confirms that no person has applied for leave of the Court to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party.

(j) **Unforeseen Expenditure**

Expenditure may need to be incurred that has not been taken into account in the preparation of this Prospectus. Although the Company is not aware of any such additional expenditure requirements, if such expenditure is subsequently incurred, this may adversely affect the expenditure proposals of the Company.

6.5 Speculative investment

The above list of risk factors ought not to be taken as exhaustive of the risks faced by the Company or by investors in the Company. The above factors, and others not specifically referred to above, may in the future materially affect the financial performance of the Company and the value of the Securities offered under this Prospectus.

Therefore, the Securities to be issued pursuant to this Prospectus carry no guarantee with respect to the payment of dividends, returns of capital or the market value of those Securities.

Potential investors should consider that the investment in the Company is speculative and should consult their professional advisers before deciding whether to apply for Securities pursuant to this Prospectus.

7. ADDITIONAL INFORMATION

7.1 Litigation

As at the date of this Prospectus, the Company is not involved in any legal proceedings and the Directors are not aware of any legal proceedings pending or threatened against the Company.

PEP-11

As mentioned in Section 6, and previously announced by the Company, the Company has a 35.8% interest in Advent Energy Limited who lodged an appeal in the Federal Court of Australia (Proceedings WAD 106/2022) through its 100% owned subsidiary, Asset Energy, as Operator for and on behalf of the PEP11 Joint Venture Partners, Bounty Oil and Gas NL (ASX:BUY) and itself pursuant to section 5 of the *Administrative Decisions (Judicial Review) Act 1977 (Cth)* and section 39B of the *Judiciary Act 1903 (Cth)* to review the decision of the NOPTA, constituted under section 56 of the Act, to refuse to vary and suspend the conditions of the PEP11 Permit and to refuse to extend the term of the PEP11 Permit (**Application**).

On 14 February 2023, the Company announced the resolution of the Federal Court Proceedings between Asset Energy and the Respondents (being the Commonwealth Minister for Resources et al) and Justice Jackson made orders remitting the Application back to NOPTA for determination. As set out above, the Application is still with NOPTA, or determination and Asset Energy and Advent continue to assist NOPTA with their queries.

The PEP11 Permit continues in force and the Joint Venture is in compliance with the contractual terms of the PEP11 Permit with respect to such matters such as reporting, payment of rents and various provisions of the *Offshore Petroleum and Greenhouse Gas Storage Act 2006 (Cth)*.

Advent Energy Ltd v MEC Resources Ltd- District Court CIV 3362 of 2020

Advent and Asset Energy commenced proceedings in June 2020 against MEC Resources Ltd in respect to a claim for \$242,155.21 by Advent and \$593,343.17 by Asset Energy. On 13 December 2021, MEC Resources held a shareholder meeting where approval was granted to issue 124,708,409 fully paid ordinary shares to Advent as part of the settlement of Advent's claim. These shares were issued by MEC on 18 December 2021 at a deemed issue price of \$0.0044, bringing Advent's debt down to \$324,024.

The parties have filed consent orders in the District Court to further adjourn the next court date until 10 May 2024. Completion of the Court proceedings is pending MEC Resources' readmission to Official Quotation of the ASX and its associated capital raising, which Advent is entitled to participate in, at which time the District Court Proceedings will be withdrawn by consent.

The Company is not a party to the above proceedings.

7.2 Continuous disclosure obligations

The Company is a "disclosing entity" (as defined in section 111AC of the Corporations Act) for the purposes of section 713 of the Corporations Act and, as such, is subject to regular reporting and disclosure obligations. Specifically, like all listed companies, the Company is required to continuously disclose any information it has to the market which a reasonable person would expect to have a material effect on the price or the value of the Company's securities.

This Prospectus is a “transaction specific prospectus”. In general terms a “transaction specific prospectus” is only required to contain information in relation to the effect of the issue of securities on the Company and the rights attaching to the securities. It is not necessary to include general information in relation to all of the assets and liabilities, financial position, profits and losses or prospects of the issuing company.

This Prospectus is intended to be read in conjunction with the publicly available information in relation to the Company which has been notified to ASX and does not include all of the information that would be included in a prospectus for an initial public offering of securities in an entity that is not already listed on a stock exchange. Investors should therefore have regard to the other publicly available information in relation to the Company before making a decision whether or not to invest.

Having taken such precautions and having made such enquires as are reasonable, the Company believes that it has complied with the general and specific requirements of ASX as applicable from time to time throughout the 3 months before the issue of this Prospectus which required the Company to notify ASX of information about specified events or matters as they arise for the purpose of ASX making that information available to the stock market conducted by ASX.

Information that is already in the public domain has not been reported in this Prospectus other than that which is considered necessary to make this Prospectus complete.

The Company, as a disclosing entity under the Corporations Act states that:

- (a) it is subject to regular reporting and disclosure obligations;
- (b) copies of documents lodged with the ASIC in relation to the Company (not being documents referred to in section 1274(2)(a) of the Corporations Act) may be obtained from, or inspected at, the offices of the ASIC; and
- (c) it will provide a copy of each of the following documents, free of charge, to any person on request between the date of issue of this Prospectus and the Closing Date:
 - (i) the annual financial report most recently lodged by the Company with the ASIC;
 - (ii) any half-year financial report lodged by the Company with the ASIC after the lodgement of the annual financial report referred to in (i) and before the lodgement of this Prospectus with the ASIC; and
 - (iii) any continuous disclosure documents given by the Company to ASX in accordance with the ASX Listing Rules as referred to in section 674(1) of the Corporations Act after the lodgement of the annual financial report referred to in (i) and before the lodgement of this Prospectus with the ASIC.

Copies of all documents lodged with the ASIC in relation to the Company can be inspected at the registered office of the Company or an ASIC office during normal office hours.

Details of documents lodged with ASX since the date of lodgement of the Company's latest annual financial report and before the lodgement of this Prospectus with the ASIC are set out in the table below:

Date	Description of Announcement
14 February 2024	Progress Report – PEP 11 Update – NSW Legislation
9 February 2024	Appendix 3B
9 February 2024	Appendix 3B
9 February 2024	Placement
7 February 2024	Trading Halt
7 February 2024	Pause in Trading
29 January 2024	Quarterly Activities/Appendix 4C Cash Flow Report
12 January 2024	Appendix 2A
19 December 2023	Clean Hydrogen Update
18 December 2023	Appendix 3G
18 December 2023	Appendix 2A
13 December 2023	Appendix 2A
12 December 2023	Appendix 3B
12 December 2023	Disclosure Document
8 December 2023	Appendix 3B
7 December 2023	Results of Meeting
6 December 2023	Appendix 2A
1 December 2023	Results of Meeting
30 November 2023	Chair's Address to Shareholders
29 November 2023	Hidden Gems Webinar
29 November 2023	Appendix 3B
24 November 2023	Annual Report to shareholders

ASX maintains files containing publicly available information for all listed companies. The Company's file is available for inspection at ASX during normal office hours.

The announcements are also available through the Company's website www.bphenergy.com.au.

7.3 Market price of Securities

The Company is a disclosing entity for the purposes of the Corporations Act and its Shares are enhanced disclosure securities quoted on ASX.

The highest, lowest and last market sale prices of the Shares on ASX during the three months immediately preceding the date of lodgement of this Prospectus with the ASIC and the most recent dates of those sales were:

	Price	Date ¹
Highest	\$0.068	5 January 2024
Lowest	\$0.023	14 November 2023
Last	\$0.028	14 February 2023

Notes:

1. The Company was suspended from official quotation from 19 December 2022 until 21 March 2023 under Listing Rule 17.3.

The highest, lowest and last market sale prices of the Options on ASX during the three months immediately preceding the date of lodgement of this Prospectus with the ASIC and the most recent dates of those sales were:

	Price	Date ¹
Highest	\$0.024	5 January 2024
Lowest	\$0.007	14 November 2023
Last	\$0.01	14 February 2024

Notes:

1. The Company was suspended from official quotation from 19 December 2022 until 21 March 2023 under Listing Rule 17.3.

7.4 Details of substantial holders

Based on publicly available information as at the date of this Prospectus, those persons which (together with their associates) have a relevant interest in 5% or more of the Shares on issue are set out below:

Shareholder	Shares	Voting Power (%)
Trandcorp Pty Ltd, David Breeze, Grandbridge Limited and Grandbridge Securities Limited ¹	59,750,805	5.81%
JGM Property Investments Pty Ltd, Markovic Family No.2 Pty Ltd and JLM Corporation Pty Ltd ²	57,055,969	5.55%

Notes:

1. Trandcorp Pty Ltd (**Trandcorp**), David Breeze (Director) and Grandbridge Limited (**Grandbridge**) are substantial shareholders of the Company. At the date of this Prospectus, Grandbridge holds 0.38% in its own right and Trandcorp holds 5.41% in its own right and together with David Breeze's relevant interest (0.02%), the total voting power of Grandbridge, Trandcorp and David Breeze in the Company is 5.81%. Mr Breeze has a voting power of 33% in Grandbridge Limited and 100% in Trandcorp. Refer to the table below at Section 7.5 for further details.
2. JGM Property Investments Pty Ltd (**JGM Property**), Markovic Family No.2 Pty Ltd (**Markovic**) and JLM Corporation Pty Ltd (**JLM Corporation**) are substantial shareholders of the Company. At the date of the Prospectus, JGM Property holds 2.93%, Markovic holds 2.43% and JLM Corporation holds 0.52%. Refer to Substantial Holder Notice dated 23 October 2023.

7.5 Directors' Interests

Other than as set out below or elsewhere in this Prospectus, no Director nor any firm in which such a Director is a partner, has or had within 2 years before the lodgement of this Prospectus with the ASIC, any interest in:

- (a) the formation or promotion of the Company;
- (b) property acquired or proposed to be acquired by the Company in connection with its formation or promotion or the Offer pursuant to this Prospectus; or
- (c) the Offer,

and no amounts have been paid or agreed to be paid (in cash or Shares or otherwise) to any Director or to any firm in which any such Director is a partner or director, either to induce them to become, or to qualify them as, a Director or otherwise for services rendered by them or by the firm in connection with the formation or promotion of the Company or the Offer.

Security holdings

The relevant interest of each of the Directors in the securities of the Company as at the date of this Prospectus is set out in the table below.

Director	Shares	Options ¹
David Breeze ⁷	59,750,805 ¹	24,273,510 ²
Tony Huston	9,438,070 ³	1,542,762 ⁴
Charles Maling	5,275,144 ⁵	2,062,284 ⁶

Notes:

1. Comprising:
 - (a) 169,346 ordinary Shares in the Company held by Mr Breeze directly; and
 - (b) 59,581,459 held indirectly by Mr Breeze through Trandcorp Pty Ltd and Grandbridge Limited, both entities controlled by Mr Breeze.
2. Comprising:
 - (a) 27,683 listed Options held directly by Mr Breeze exercisable at \$0.03 per Option or before 30 September 2024; and
 - (b) 9,245,827 listed Options held indirectly by Mr Breeze, all of which are exercisable at \$0.03 per Option or before 30 September 2024; and
 - (c) 15,000,000 unlisted Options held indirectly by Mr Breeze and all of which are exercisable at \$0.03 per Option on or before 20 September 2024.
3. Held directly by Mr Huston.
4. Held directly by Mr Huston and comprising 1,542,762 listed Options exercisable at \$0.03 per Option on or before 30 September 2024.
5. Held directly by Mr Maling.
6. Held directly by Mr Maling and comprising:
 - (a) 1,200,000 unlisted Options exercisable at \$0.02 per Option on or before 30 November 2024; and
 - (b) 862,284 listed Options exercisable at \$0.03 per Option and on or before 30 September 2024.

7. Refer to the Company's Notice of AGM dated 27 October 2023 for details of the Performance Rights, including their terms and conditions. Shareholders approved the issue of 58,000,000 Performance Rights to Director, David Breeze, under the Company's Incentive Options and Performance Rights Plan. These have not yet been issued and will be issued upon the applicable milestones being achieved.

Remuneration

The remuneration of an executive Director is decided by the Board, without the affected executive Director participating in that decision-making process. The total maximum remuneration of non-executive Directors is initially set by the Constitution and subsequent variation is by ordinary resolution of Shareholders in general meeting in accordance with the Constitution, the Corporations Act and the ASX Listing Rules, as applicable. The determination of non-executive Directors' remuneration within that maximum will be made by the Board having regard to the inputs and value to the Company of the respective contributions by each non-executive Director. The current amount has been set at an amount not to exceed \$250,000 per annum.

A Director may be paid fees or other amounts (ie non-cash performance incentives such as Options, subject to any necessary Shareholder approval) as the other Directors determine where a Director performs special duties or otherwise performs services outside the scope of the ordinary duties of a Director. In addition, Directors are also entitled to be paid reasonable travelling, hotel and other expenses incurred by them respectively in or about the performance of their duties as Directors.

The following table shows the total (and proposed) annual remuneration paid to both executive and non-executive directors.

The following table shows the total (and proposed) annual remuneration paid to both executive and non-executive Directors as disclosed in the Company's 2023 Annual Report.

Director	Financial year ending 30 June 2023 \$	Proposed financial year ending 30 June 2024 \$
David Breeze ¹	\$326,319 ²	\$425,542 ⁵
Tony Huston	\$39,902 ³	\$25,000 ⁶
Charles Maling	\$33,330 ⁴	\$25,000 ⁷

Notes

1. The Company has an agreement with Trandcorp Pty Ltd on normal commercial terms, procuring the services of David Breeze to provide product development services for \$98,000, which fees are included in the above Remuneration.
2. Comprising of a salary and fees of \$148,000 and share-based payments of \$178,319.
3. Comprising of a salary and fees of \$25,000 and share-based payments of \$14,902.
4. Comprising of a salary and fees of \$25,000 and share-based payments of \$8,330.
5. Comprising of a salary and fee of \$148,000 and share-based payments of \$277,542 (including Performance Rights).
6. Comprising of a salary and fees.
7. Comprising of a salary and fees.

7.6 Interests of experts and advisers

Other than as set out below or elsewhere in this Prospectus, no:

- (a) person named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus;
- (b) promoter of the Company; or
- (c) underwriter (but not a sub-underwriter) to the issue or a financial services licensee named in this Prospectus as a financial services licensee involved in the issue,

holds, or has held within the 2 years preceding lodgement of this Prospectus with the ASIC, any interest in:

- (d) the formation or promotion of the Company;
- (e) any property acquired or proposed to be acquired by the Company in connection with:
 - (i) its formation or promotion; or
 - (ii) the Offer; or
- (f) the Offer,

and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to any of these persons for services provided in connection with:

- (g) the formation or promotion of the Company; or
- (h) the Offer.

EverBlu has acted as a joint Lead Manager to the Company in relation to the Placement. The Company estimates it will pay EverBlu Capital Pty Ltd a 5% fee of approximately \$101,403 (excluding GST) in respect of the Placement. During the 24 months preceding lodgement of this Prospectus with the ASIC, EverBlu Capital Pty Ltd has been paid fees totalling \$300,208 (excluding GST) by the Company, excluding any value of broker options, for services provided to the Company.

Sixty-Two Capital has acted as a joint Lead Manager to the Company in relation to the Placement. The Company estimates it will pay Sixty-Two Capital Pty Ltd a 5% fee of approximately \$7,500 (excluding GST) in respect of the Placement. During the 24 months preceding lodgement of this Prospectus with the ASIC, Sixty-Two Capital Pty Ltd has been paid fees totalling \$35,700 by the Company for services provided to the Company.

Steinepreis Paganin has acted as the solicitors to the Company in relation to the Offer. The Company estimates it will pay Steinepreis Paganin \$5,000 (excluding GST and disbursements) for these services. During the 24 months preceding lodgement of this Prospectus with the ASIC, Steinepreis Paganin has been paid fees totalling \$226,314.71 (excluding GST and disbursements) for legal services provided to the Company.

7.7 Consents

Chapter 6D of the Corporations Act imposes a liability regime on the Company (as the offeror of the Securities), the Directors, the persons named in the Prospectus with their consent as Proposed Directors, any underwriters, persons named in the Prospectus with their consent having made a statement in the Prospectus and persons involved in a contravention in relation to the Prospectus, with regard to misleading and deceptive statements made in the Prospectus. Although the Company bears primary responsibility for the Prospectus, the other parties involved in the preparation of the Prospectus can also be responsible for certain statements made in it.

Each of the parties referred to in this Section:

- (a) does not make, or purport to make, any statement in this Prospectus other than those referred to in this Section; and
- (b) in light of the above, only to the maximum extent permitted by law, expressly disclaims and takes no responsibility for any part of this Prospectus other than a reference to its name and a statement included in this Prospectus with the consent of that party as specified in this Section.

Steinepreis Paganin has given its written consent to being named as the solicitors to the Company in this Prospectus. Steinepreis Paganin has not withdrawn its consent prior to the lodgement of this Prospectus with the ASIC.

7.8 Estimated expenses of Offer

The estimated expenses of the Offer are estimated to be approximately \$10,000 (excluding GST) and are expected to comprise legal fees and other administrative expenses, including ASIC fees. The estimated expenses will be paid out of the Company's existing working capital.

7.9 Electronic Prospectus

ASIC has exempted compliance with certain provisions of the Corporations Act to allow distribution of an electronic prospectus and electronic application form on the basis of a paper prospectus lodged with the ASIC, and the publication of notices referring to an electronic prospectus or electronic application form, subject to compliance with certain conditions.

If you have received this Prospectus as an electronic Prospectus, please ensure that you have received the entire Prospectus accompanied by the Application Form. If you have not, please phone the Company on +61 08 9328 8366 and the Company will send you, for free, either a hard copy or a further electronic copy of the Prospectus, or both.

The Company reserves the right not to accept an Application Form from a person if it has reason to believe that when that person was given access to the electronic Application Form, it was not provided together with the electronic Prospectus and any relevant supplementary or Prospectus or any of those documents were incomplete or altered.

7.10 Clearing House Electronic Sub-Register System (CHES) and Issuer Sponsorship

The Company will not be issuing Share certificates. The Company is a participant in CHES, for those investors who have, or wish to have, a sponsoring stockbroker. Investors who do not wish to participate through CHES will be issuer sponsored by the Company. Because the sub-registers are electronic, ownership of securities can be transferred without having to rely upon paper documentation.

Electronic registers mean that the Company will not be issuing certificates to investors. Instead, investors will be provided with a statement (similar to a bank account statement) that sets out the number of Shares issued to them under this Prospectus. The notice will also advise holders of their Holder Identification Number or Security Holder Reference Number and explain, for future reference, the sale and purchase procedures under CHESS and issuer sponsorship.

Further monthly statements will be provided to holders if there have been any changes in their security holding in the Company during the preceding month.

7.11 Privacy Act

If you complete an application for Securities, you will be providing personal information to the Company. The Company collects, holds and will use that information to assess your application, service your needs as a Shareholder, facilitate distribution payments and corporate communications to you as a Shareholder and carry out administration.

The information may also be used from time to time and disclosed to persons inspecting the register, bidders for your securities in the context of takeovers, regulatory bodies, including the Australian Taxation Office, authorised securities brokers, print service providers, mail houses and the Company's Share Registry.

You can access, correct and update the personal information that we hold about you. Please contact the Company if you wish to do so at the relevant contact numbers set out in this Prospectus.

Collection, maintenance and disclosure of certain personal information is governed by legislation including the *Privacy Act 1988* (Cth) (as amended), the *Corporations Act* and certain rules such as the ASX Settlement Operating Rules. You should note that if you do not provide the information required on the application for Securities, the Company may not be able to accept or process your application.

8. DIRECTORS' AUTHORISATION

This Prospectus is issued by the Company and its issue has been authorised by a resolution of the Directors.

In accordance with section 720 of the Corporations Act, each Director has consented to the lodgement of this Prospectus with the ASIC.

9. DEFINITIONS

\$ means Australian dollars.

AGM means the Company's upcoming Annual General Meeting to be held in November 2023.

Applicant means an investor who applies for Securities pursuant to the Offer.

Application Form means an application form either attached to or accompanying this Prospectus.

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited (ACN 008 624 691) or the financial market operated by it, as the context requires.

ASX Listing Rules means the listing rules of the ASX.

ASX Settlement Operating Rules means the settlement rules of the securities clearing house which operates CHESS.

Board means the board of Directors unless the context indicates otherwise.

Broker Option has the meaning given in Section 3.2.

Business Day means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day and any other day that ASX declares is not a business day.

Closing Date means the date specified in the timetable in Section 2.1 of this Prospectus (unless extended or brought forward).

Company means BPH Energy Limited (ACN 095 912 002).

Constitution means the constitution of the Company as at the date of this Prospectus.

Corporations Act means the *Corporations Act 2001* (Cth).

Directors means the directors of the Company as at the date of this Prospectus.

Everblu means Everblu Capital Corporate Pty Ltd (ABN 50 642 215 343), the authorized representative (AFSL No 1292614) of EverBlu Capital Pty Ltd (ABN 23 612 793 683) and is the holder of AFSL 499 601.

Oakley Capital means Oakley Capital Partners Pty Limited (trading as Oakley Capital) corporate authorised representative of Finexia Securities Ltd (ABN 61 608 667 778) holder of AFSL 485 760.

Offer means the offer of Shares referred to in the "Details of the Offer" Section of this Prospectus.

Official Quotation means official quotation on ASX.

Opening Date means the opening date of the Offer as specified in the timetable set out in Section 2.1 of this Prospectus (unless varied).

Option means an option to acquire a Share.

Placement has the meaning set out in Section 3.2.

Placement Option has the meaning given in Section 3.2.

Placement Shares means Shares issued or to be issued to the participants in the Placement (or their nominees).

Prospectus means this prospectus.

Sixty-Two Capital means Sixty-Two Capital Pty Ltd (ABN 13 611 480 169), corporate representative of Sixty-Two Global Pty Ltd (AFSL No 531928).

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a shareholder of the Company.

Share Registry means Advanced Share Registry Services.

WST means western standard time as observed in Perth, Western Australia.