

## Pre-quotation disclosure

The following information is required to be provided to ASX Limited (**ASX**) for release to the market in connection with:

- the initial public offering of CHESS Depositary Interests (**CDIs**) over fully paid ordinary shares in the capital of Conrad Asia Energy Ltd. (ARBN 656 246 678) (**Conrad** or the **Company**) by the Company pursuant to a prospectus lodged with the Australian Securities & Investments Commission (**ASIC**) on 9 September 2022 as varied by the first supplementary prospectus lodged with ASIC on 5 October 2022 and the second supplementary prospectus lodged with ASIC on 7 October 2022 (together, the **Prospectus**) (**Offer**); and
- the admission of the Company to the official list of ASX, official quotation of CDIs and commencement trading of CDIs on ASX.

Capitalised terms not defined in this document have the meaning given to them in the Prospectus.

### 1. Confirmation of Completion of Offer and issue of CDIs under the Prospectus

- 1.1 The Company confirms the Offer has closed and the issue of 30,821,919 CDIs to investors at an issue price of A\$1.46 per CDI (**Offer Price**).
- 1.2 The Company confirms that it has received cleared funds for the complete amount of the issue price of every CDI issued to every successful Applicant for CDIs under the Prospectus.
- 1.3 The Company confirms the issue of the following securities:
  - (a) 2,080,000 Options exercisable at US\$0.81 expiring on 25 September 2027 under the New Incentive Plan;
  - (b) 3,844,616 zero exercise price Share Rights each over 1 CDI issued under the New Incentive Plan;
  - (c) 6,769,232 Loan Warrants with an exercise price of US\$0.81 expiring on 14 June 2026 each over 1 CDI; and
  - (d) 3,076,942 SAFE Warrants with an exercise price of US\$1.22 expiring 2 years from the date of issue each over 1 CDI.
- 1.4 The Company confirms that there are no legal, regulatory, statutory or contractual impediments to the Company entering the sites associated with its Duyung PSC and Offshore Mangkalihat PSC and carrying out exploration activities such that the Company will be able to spend its cash in accordance with its commitments for the purposes of Listing Rule 1.3.2(b).

### 2. Refund money and despatch dates

- 2.1 The date of despatch of:
  - (a) in relation to all holdings on the CHESS sub-register, a notice from the Company under ASX Settlement Operating Rule 8.9.1; and
  - (b) in relation to all other holdings, issuer sponsored holding statements, was 21 October 2022.

2.2 All refund money related to the Offer was refunded to unsuccessful applicants on 21 October 2022.

### 3. **Securities**

3.1 The Company provides the following updated statement of commitments, based on the actual amount of funds raised under the Prospectus, being A\$45,000,000.

<b>Expenditure item</b>	<b>Period ending 31 December 2022 (US\$)</b>
Mako FEED and long lead items (including: subsea wellheads and related equipment and structural steel)	\$17.4 million
Funds for growth and the evaluation of new assets and associated costs	\$3.1 million

3.2 The number of securities subject to ASX restrictions, and the restriction period applied to those securities, is as follows:

(a) **Mandatory escrow of CDIs:**

- (i) 1,378,359 CDIs will be subject to mandatory escrow for a period of 12 months from the date of issue of the relevant securities; and
- (ii) 61,190,517 CDIs will be subject to mandatory escrow for a period of 24 months from the date of quotation of the Company's securities.

(b) **Share Rights:** 3,444,616 Share Rights and those shares/CDIs to be issued on exercise of such Share Rights will be subject to mandatory escrow for a period of 24 months from the date of quotation of the Company's securities.

(c) **Loan Warrants:**

- (i) 2,686,079 of Loan Warrants and those shares/CDIs to be issued on exercise of such Loan Warrants will be subject to mandatory escrow for a period of 12 months from the date of issue of the relevant Loan Warrants; and
- (ii) 5,634,215 of Loan Warrants and those shares/CDIs to be issued on exercise of such Loan Warrant will be subject to mandatory escrow for a period of 24 months from the date of quotation of the Company's securities.

3.3 The number of securities subject to voluntary escrow, and the escrow period applied to these securities is as follows:

- (a) 21,448,583 CDIs will be subject to voluntary escrow for a period of 6 months from the date of quotation of the Company's securities; and
- (b) 40,565,831 CDIs will be subject to voluntary escrow for a period which is the earlier of:

- (i) where the volume-weighted average share/CDI price for the Company for any 10 consecutive trading days exceeds 150% of the offer price under the Prospectus, the offer price being A\$1.46 (**Threshold**) and the Threshold is satisfied on or after the date which is 6 months from the date on which quotation of securities of the Company commences - the date which is 3 trading day after the date on which the Threshold is satisfied; or
- (ii) 12 months from the date on which the quotation of securities of the Company commences.

#### 4. **Capital structure**

4.1 The capital structure of the Company on completion of the Offer will be as follows:

Securities	Number
CDIs	159,398,990
Loan Warrants	6,769,232
Share Rights	3,844,616
Options	2,080,000
SAFE Warrants	3,076,942

#### 5. **ASX Waivers and Confirmations**

In connection with the Company's application for admission to the official list of ASX, the ASX has granted the Company the following waivers and confirmations:

##### **Listing Rule 1.1, Condition 12 Waiver**

- 5.1 Subject to any amendments to the Listing Rules or changes in the interpretation and administration of the Listing Rules and policies of ASX, a waiver from Listing Rule 1.1 condition 12 to the extent necessary to permit the Company to have on issue 3,844,616 performance rights (**Performance Rights**) to be issued to the directors and employees of the Company with an exercise price of less than \$0.20 on condition that the material terms and conditions of the Performance Rights are clearly disclosed in the Company's Prospectus.

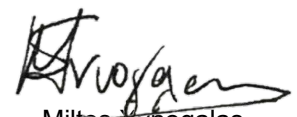
##### **ASX Confirmation Decision of Listing Rule 6.1**

- 5.2 The ASX has provided confirmation to the Company that the terms of the 3,844,616 performance rights (**Performance Rights**) to be issued by the Company to directors are appropriate and equitable for the purposes of Listing Rule 6.1 subject to the following conditions:

- (a) The prospectus issued in connection with the Company's IPO contains the following details in respect of the Performance Rights:

- (i) the party or parties to whom the Performance Rights are to be issued and the number of Performance Rights to be issued to them or each of them;
- (ii) any relationship the recipient of the Performance Rights or an associate of the recipient has with the entity; and
- (iii) in respect of those Performance Rights proposed to be issued to the Company's directors and key management personnel:
  - A. details of the role (if any) the director or key management personnel will play in meeting the respective performance milestones;
  - B. details of the existing total remuneration package of the director or key management personnel;
  - C. if the director or key management personnel or any of their associates hold securities in the entity, details of those securities and the consideration they paid or provided for those securities;
  - D. an explanation why it is considered necessary or appropriate to further remunerate or incentivise the director or key management personnel to achieve the applicable performance milestone; and
  - E. details of how the Company determined the number of Performance Rights to be issued to the director or key management personnel and why it considers that number to be appropriate and equitable.
- (b) The number of ordinary shares that the Performance Rights will convert into if the applicable performance milestone is met and the impact that will have on the entity's capital structure.
- (c) The full terms of the Performance Rights, including:
  - (i) the Performance Rights are not quoted;
  - (ii) the Performance Rights are not transferrable;
  - (iii) the Performance Rights do not confer any right to vote, except as otherwise required by law;
  - (iv) the Performance Rights do not permit the holder to participate in new issues of capital such as bonus issues and entitlement issues;
  - (v) the Performance Rights do not carry an entitlement to a dividend;
  - (vi) the Performance Rights do not permit the holder to participate in a return of capital, whether in a winding up, upon a reduction of capital or otherwise;

- (vii) the Performance Rights do not carry an entitlement to participate in the surplus profit or asset of the Company upon winding up of the Company;
  - (viii) each Performance Rights is converted into one fully paid ordinary share on achievement of the relevant milestone; and
  - (ix) if the relevant class of Performance Rights is not converted into a share by the relevant expiry date then all the Performance Rights of that class lapse.
- (d) The Company makes an announcement immediately upon the satisfaction of any milestones, upon the conversion of any of the Performance Rights and the expiry of any of the Performance Rights.
- (e) The terms and conditions of the Performance Rights, including without limitation the relevant milestones that have to be satisfied before each Performance Rights converted into an ordinary share, are not to be changed without the prior approval of ASX and the Company's shareholders.
- (f) Upon conversion of the Performance Rights into ordinary shares, the Company will apply to the ASX for quotation of the shares within the requisite time period.
- (g) The Company discloses the following in each annual report, annual audited financial accounts, half-yearly report issued by the Company in respect of any period during which any of the Performance Rights remain on issue or were converted or cancelled:
- (i) the number of Performance Rights on issue during the relevant period;
  - (ii) a summary of the terms and conditions of the Performance Rights, including without limitation the number of ordinary shares into which they are convertible and the relevant milestones;
  - (iii) whether any of the Performance Rights were converted or cancelled during that period; and
  - (iv) whether any milestones were met during the period.

  
Miltos Xynogalas  
Managing Director

21 October 2022