

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 01/07/96 Origin: Appendix 5 Amended 01/07/98, 01/09/99, 01/07/00, 30/09/01, 11/03/02, 01/01/03, 24/10/05, 01/08/12

Name of entity

Invictus Energy Limited

ABN

21 150 956 773

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

1	+Class of +securities issued or to be issued	(1) Fully Paid Ordinary Shares (2) Fully Paid Ordinary Shares (3) Performance Shares A (4) Performance Shares B (5) Performance Shares C (6) Options
2	Number of +securities issued or to be issued (if known) or maximum number which may be issued	(1) 150,000,000 (2) 72,783,000 (3) 25,255,701 (4) 31,587,822 (5) 44,179,281 (6) 35,000,000
3	Principal terms of the +securities (eg, if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion)	(1) Same as listed shares (2) Voluntary 12 Month Escrow (3) Refer attached Schedule 1 (4) Refer attached Schedule 1 (5) Refer attached Schedule 1 (6) 3 year term, Exercise price \$0.06

4	Do the ⁺ securities rank equally in all respects from the date of allotment with an existing ⁺ class of quoted ⁺ securities?	(1) Yes All other classes only when voluntary escrow lapses or converted into quoted fully paid ordinary shares
5	Issue price or consideration	(1) 150,000,000 shares at \$0.03 per share (2) (3), (4) & (5) : Securities issued as part of the acquisition of the Cabora Bassa Basin, project in Zimbabwe (6) 20,000,000 options Issued to directors as part of services provided and 15,000,000 options issued to advisors for services
6	Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)	(1) 150,000,000 shares issued to fund the development of the Cabora Bassa Basin, project in Zimbabwe and working capital. (2) (3), (4) & (5) : Securities issued as part of the acquisition of the Cabora Bassa Basin, project in Zimbabwe (6) Options issued as part of remuneration and advisory/capital raising services
6a	Is the entity an ⁺ eligible entity that has obtained security holder approval under rule 7.1A? <i>If Yes, complete sections 6b – 6h in relation to the ⁺securities the subject of this Appendix 3B, and comply with section 6i</i>	Yes
6b	The date the security holder resolution under rule 7.1A was passed	23 November 2017
6c	Number of ⁺ securities issued without security holder approval under rule 7.1	n/a
6d	Number of ⁺ securities issued with security holder approval under rule 7.1A	n/a

6e	Number of securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)	n/a
6f	Number of securities issued under an exception in rule 7.2	n/a

6g	If securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the issue date and both values. Include the source of the VWAP calculation.	n/a	
6h	If securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements	n/a	
6i	Calculate the entity's remaining issue capacity under rule 7.1 and rule 7.1A – complete Annexure 1 and release to ASX Market Announcements	Refer to Annexure 1	
7	Dates of entering +securities into uncertificated holdings or despatch of certificates	25 June 2018	
		Number	+Class
8	Number and +class of all +securities quoted on ASX (<i>including</i> the securities in section 2 if applicable)	355,746,191	Ordinary Shares

+ See chapter 19 for defined terms.

	Number	+Class
9 Number and +class of all +securities not quoted on ASX (including the securities in section 2 if applicable)	<hr/> 25,255,701 31,587,822 44,179,281 35,000,000	 Class A Performance Shares Class B Performance Shares Class C Performance Shares Unlisted Options, \$0.06 exercise, expire 25 June 2021
10 Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	The Company does not have a dividend policy	

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

34 Type of securities
(tick one)

(a) Securities described in Part 1

(b) All other securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Quotation agreement

- 1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.
- 2 We warrant the following to ASX.
 - The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
 - There is no reason why those +securities should not be granted +quotation.
 - An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty
 - Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
 - If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.
- 3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.
- 4 We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Gabriel Chiappini
Director/Company Secretary
28 June 2018

+ See chapter 19 for defined terms.

Appendix 3B – Annexure 1

Calculation of placement capacity under rule 7.1 and rule 7.1A for eligible entities

Introduced 01/08/12

Part 1

Rule 7.1 – Issues exceeding 15% of capital	
Step 1: Calculate “A”, the base figure from which the placement capacity is calculated	
Insert number of fully paid ordinary securities on issue 12 months before date of issue or agreement to issue	132,963,191
<p>Add the following:</p> <ul style="list-style-type: none"> • Number of fully paid ordinary securities issued in that 12 month period under an exception in rule 7.2 • Number of fully paid ordinary securities issued in that 12 month period with shareholder approval • Number of partly paid ordinary securities that became fully paid in that 12 month period <p><i>Note:</i></p> <ul style="list-style-type: none"> • <i>Include only ordinary securities here – other classes of equity securities cannot be added</i> • <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i> 	222,783,000
Subtract the number of fully paid ordinary securities cancelled during that 12 month period	
“A”	355,746,191

Step 2: Calculate 15% of “A”	
“B”	0.15 <i>[Note: this value cannot be changed]</i>
Multiply “A” by 0.15	53,361,929
Step 3: Calculate “C”, the amount of placement capacity under rule 7.1 that has already been used	
<p>Insert number of equity securities issued or agreed to be issued in that 12 month period <i>not counting</i> those issued:</p> <ul style="list-style-type: none"> • Under an exception in rule 7.2 • Under rule 7.1A • With security holder approval under rule 7.1 or rule 7.4 <p><i>Note:</i></p> <ul style="list-style-type: none"> • <i>This applies to equity securities, unless specifically excluded – not just ordinary securities</i> • <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i> 	nil
“C”	Nil
Step 4: Subtract “C” from [“A” x “B”] to calculate remaining placement capacity under rule 7.1	
“A” x 0.15 <i>Note: number must be same as shown in Step 2</i>	53,361,929
Subtract “C” <i>Note: number must be same as shown in Step 3</i>	Nil
Total [“A” x 0.15] – “C”	53,361,929

+ See chapter 19 for defined terms.

Part 2

Rule 7.1A – Additional placement capacity for eligible entities	
Step 1: Calculate “A”, the base figure from which the placement capacity is calculated	
“A” <i>Note: number must be same as shown in Step 1 of Part 1</i>	355,746,191
Step 2: Calculate 10% of “A”	
“D”	0.10
Multiply “A” by 0.10	35,574,619
Step 3: Calculate “E”, the amount of placement capacity under rule 7.1A that has already been used	
Insert number of equity securities issued or agreed to be issued in that 12 month period under rule 7.1A Notes: <ul style="list-style-type: none"> • <i>This applies to equity securities – not just ordinary securities</i> • <i>Include here – if applicable – the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>Do not include equity securities issued under rule 7.1 (they must be dealt with in Part 1), or for which specific security holder approval has been obtained</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i> 	Nil
“E”	Nil

Step 4: Subtract "E" from ["A" x "D"] to calculate remaining placement capacity under rule 7.1A	
"A" x 0.10 <i>Note: number must be same as shown in Step 2</i>	35,574,619
Subtract "E" <i>Note: number must be same as shown in Step 3</i>	Nil
Total ["A" x 0.10] – "E"	35,574,619

SCHEDULE 1 – TERMS OF PERFORMANCE SHARES

1. Issue Price

Each Performance Share will be issued for nil cash consideration.

2. Rights

- (a) A Performance Share does not carry any voting rights in the Company.
- (b) A Performance Share confers on the holder the right to receive notices of general meetings and financial reports and accounts of the Company that are circulated to shareholders. Holders of Performance Share have the right to attend general meetings of shareholders.
- (c) A Performance Share does not entitle the holder to any dividends.
- (d) A Performance Share does not confer any right to participate in the surplus profits or assets of the Company upon winding up of the Company.
- (e) A Performance Share does not confer any right to a return of capital, whether in a winding up, upon a reduction of capital or otherwise.
- (f) A Performance Share does not confer the right to participate in new issues of securities such as entitlement issues. If the Company makes a bonus issue of shares or other securities to existing shareholders (other than an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment) the number of shares which must be issued on the conversion of a Performance Share will be increased by the number of shares which the holder would have received if the relevant Performance Share had converted before the record date for the bonus issue.
- (g) If at any time the issued capital of the Company is reorganised, Performance Shares are to be treated in the manner set out in Listing Rule 7.21 (or other applicable Listing Rule), being that the number of Performance Shares or the conversion ratio or both will be reorganised so that the holder of the Performance Shares will not receive a benefit that holders of ordinary shares do not receive and so that the holders of ordinary shares will not receive a benefit that the holder of the Performance Shares does not receive.
- (h) The Performance Shares give the holder no rights other than those expressly provided by these terms and conditions and those provided at law where such rights at law cannot be excluded by these terms and conditions.

3. Conversion

- (a) Subject to clause 3(b) each Performance Share is convertible into a fully paid ordinary share in the capital of the Company ("**Conversion Share**") subject to the Company achieving the following applicable milestone ("**Milestone**"):

Performance Share	Milestone	Expiry Date
Class A	An independent prospective resource certification of greater than 1.5TCF Gas or 250 mmboe with respect to the Cabora Bassa Project.	20/03/2019

Performance Share	Milestone	Expiry Date
Class B	A farmout which includes a commitment to drill a well to a minimum planned depth of 3,000 metres with respect to the Cabora Bassa Project.	20/06/2020
Class C	Drilling of an exploration well upon the Cabora Bassa Project that results in the maiden booking of Contingent Resources or Reserves (as those terms are defined in the Guidelines for Application of the Petroleum Resources Management System (2011 Edition)).	20/12/2021

- (b) The Company obtaining all required (if any) Shareholder or regulatory approval for the purpose of issuing the Conversion Shares. If conversion of all or part of the Performance Shares would result in any person being in contravention of section 606(1) of the Corporations Act then the conversion of each Performance Share that would cause the contravention will be deferred until such time or times that the conversion would not at a later date result in contravention of section 606(1) of the Corporations Act. Holders of Performance Shares must give notification to the Company in writing if they consider that the conversion of all or part of the Performance Shares may result in the contravention of section 606(1) of the Corporations Act, failing which the Company will be entitled to assume that the conversion of Performance Shares will not result in any person being in contravention of section 606(1) of the Corporations Act.
- (c) The Company must issue any Conversion Shares in the name of the holder (or its permitted nominee) within 7 days of the relevant Performance Share becoming convertible into Conversion Shares under these terms and conditions.
- (d) Each Conversion Share will rank equally with a fully paid ordinary share in the capital of the Company.
- (e) A Performance Share will not be quoted on any securities exchange and the Company will not make an application for quotation in respect of a Performance Share. However, if the Company is listed on the ASX at the relevant time, upon conversion of a Performance Share into a Conversion Share, the Company must within 7 days after the conversion apply for quotation of the Conversion Share on the ASX, subject always to the requirements of the Listing Rules, including those relating to escrow.

4. Expiry

If a Milestone is not satisfied on or before the expiry date that is set out in clause 3(a), the relevant Performance Share will immediately be redeemed by the Company for nil cash consideration.

5. Transferability

A Performance Share is not transferable.

6. Compliance with Corporations Act, Listing Rules and Constitution

- (a) Despite any other provision in these terms and conditions, if the Corporations Act, Listing Rules or Constitution prohibits an act being done, that act must not be done.
- (b) Nothing contained in these terms and conditions prevents an act being done that the Corporations Act, Listing Rules or Constitution require to be done.
- (c) If the Corporations Act, Listing Rules or Constitution conflict with these terms and conditions, or these terms and conditions do not comply with the Corporations Act, Listing Rules or the Constitution, the holder authorizes the Company to do anything necessary to rectify such conflict or non-compliance, including but not limited to unilaterally amending these terms and conditions.
- (d) The terms of the Performance Shares may be amended as necessary by the directors of the Company in order to comply with the Listing Rules or any requirements of ASX.

7. Change of Control Event

- (a) A change of control event ("**Change of Control Event**") occurs where:
 - (i) an offer is made for shares pursuant to a takeover bid under Chapter 6 of the Corporations Act and is, or is declared, unconditional; or
 - (ii) the Court sanctions under Part 5.1 of the Corporations Act a compromise or arrangement relating to the Company or a compromise or arrangement proposed for the purposes of or in connection with a scheme for the reconstruction of the Company or its amalgamation with any other Company or companies.
- (b) Subject to the Listing Rules and 7(c) below, if a Change of Control Event occurs, unconverted Class A and Class B Performance Shares will become immediately convertible into Conversion Shares with such conversion deemed to have taken place immediately prior to the effective date of the Change of Control Event.
- (c) The total number of Conversion Shares issued under 7(b) above must not exceed 10% of the issued ordinary capital of the Company as at the date of conversion.

Whether or not the Company determines to accelerate the conversion of any Performance Shares, the Company must give written notice of any proposed Change of Control Event to each holder of Performance Shares.

+ See chapter 19 for defined terms.