

ASX ANNOUNCEMENT

6 September 2019

UPDATE ON SPECIAL DIVIDEND

Pacific Energy Limited ("Pacific Energy" or the "Company") refers to the announcement made on 24 July 2019 in connection with a proposal from QIC Private Capital Pty Ltd ("QIC") to acquire 100% of Pacific Energy by way of a Scheme of Arrangement (the "Scheme") for cash consideration of 96 cents per share (the "Scheme Consideration").

The directors of Pacific Energy unanimously recommend that Shareholders approve the Scheme in the absence of a superior proposal and subject to an appointed Independent Expert concluding that the Scheme is in the best interests of Pacific Energy shareholders.

The Company today advises that it intends to pay a special dividend ("Special Dividend") to Shareholders of 6.5 cents per share, conditional upon the Scheme becoming effective.

The Company has applied to the Australian Taxation Office ("ATO") requesting a class ruling in relation to the tax implications of the Special Dividend, including the ability to attach franking credits to the Special Dividend. Subject to the receipt of a favourable class ruling from the ATO and depending on their own tax circumstances, Pacific Energy Shareholders may receive additional value from the franking credits attaching to the Special Dividend.

Please note that any Special Dividend will not be payable until formally declared. The Company will need to satisfy all legal requirements before a formal declaration of the Special Dividend. The Company intends to inform shareholders by way of an ASX announcement before the Scheme meeting as to whether a Special Dividend will be declared. The quantum of any Special Dividend paid will reduce the Scheme Consideration accordingly.

Any such Special Dividend will be in addition to the 1.5 cent per share fully franked final dividend ("Final Dividend") already declared by the directors in relation to the year ended 30 June 2019, payable on 10 October 2019 to those shareholders on the register on the record date of 19 September 2019.

If the Scheme is approved and the Special Dividend is formally declared, Shareholders who are on the register on the Special Dividend record date and who continue to hold their shares until the Scheme record date, will receive 96 cents per share, comprising:

- 89.5 cents per share Scheme Consideration payable by QIC; plus
- 6.5 cents per share Special Dividend payable by Pacific Energy.

In addition to the above, Shareholders who are on the register on 19 September 2019 will receive the 1.5 cents per share Final Dividend payable by Pacific Energy irrespective of whether the Scheme is approved.

Shareholders should seek independent tax advice in regard to their own circumstances.

INDICATIVE TIMETABLE FOR SPECIAL DIVIDEND AND SCHEME RECORD DATE

Event	Date
Indicative Special Dividend Record Date	5 November 2019
Indicative Scheme Record Date	7 November 2019
Intended Special Dividend Payment Date and Scheme Consideration Payment Date	14 November 2019

The Company will provide further updates to Shareholders and the market regarding the status of the Special Dividend.

-ENDS-

For Further Information Contact:
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