



29 September 2020

Dear Shareholder,

RE: Share Purchase Plan

Emperor Energy Limited ("EMP") is pleased to offer you the opportunity to subscribe for fully paid ordinary shares in the Company (Shares) under a Share Purchase Plan (Offer).

The Company is offering eligible shareholders, at the Record Date of Monday 28 September 2020, the opportunity under the offer to acquire \$1,000 (minimum) to \$30,000 (maximum) worth of Shares at an Offer price of the lower of:

- (a) \$0.035 (3.5 cents) per share; or
- (b) a 10% discount to the volume weighted average price (VWAP) of Emperor Energy's Shares calculated over the last 5 days on which sales of Shares are recorded on the ASX up to and including the Closing Date, rounded down to the nearest one tenth of one cent.

Therefore, the maximum Offer Price will be 3.5 cents per New Share. Emperor Energy will announce the final Offer Price on the Issue Date.

Shareholders will be eligible to participate in the Offer if they have a registered address in Australia and New Zealand as at 5.00pm (AEST) on Monday 28 September 2020.

Funds raised under the Offer will be used towards the work program for the company exploration assets and general working capital.

Emperor Energy intends to raise \$300,000 under the SPP which is not underwritten but reserves the right to increase or decrease the amount raised at its discretion. Emperor Energy also reserves the right to scale back application under the SPP.

Applications for new Share under the Offer will be made on the enclosed Application Form. The offer of shares under the Offer is made in accordance with ASIC Corporations (Share and Interest Purchase Plans) instrument 2019/547 and therefore does not require a prospectus for the purposes of Chapter 6D of the Corporations Act.

Important Information

The Offer is governed by the enclosed terms and conditions. The Board encourages you to read these terms and conditions carefully and in their entirety before deciding whether to participate in the Offer.

If you are uncertain whether shares are a suitable investment for you, you should consult your financial or other professional adviser. The Board recommends that you obtain your own financial advice in relation to the Offer and consider price movements of Shares in the Company prior to electing to participate in the Offer.

Should you have any questions in relation to the Application form or the Offer, please contact Automic Registry Services on 1300 288 664 or the Company Secretary on 0402 277 282.

Yours faithfully

Carl Dumbrell
Company Secretary & Director
Ph +61 402 277 282
carl@emperorenergy.com.au

Share Purchase Plan Terms and Conditions

The terms and conditions of the Share Purchase Plan (Offer) which, together with the terms of the Application Form, are binding on any shareholder providing payment under the Offer to the Company.

1. Offer

The Offer enables Eligible Holders to apply to purchase up to \$30,000 worth of ordinary shares in Emperor Energy without paying any brokerage or other charges.

2. Eligibility

You are eligible to apply for New Shares (Eligible Shareholder) if:

- (a) your registered address in the Company register of members is in Australia or New Zealand; and
- (b) you were registered as a holder of Shares as at 5.00pm (AEST) on Monday 28 September 2020.

3. Offer Price

3.1 The Offer price will be the lower of:

- (a) \$0.035 (3.5 cents) per share, representing a discount of 5.4% to Emperor Energy's closing Share price of \$0.037 (3.7 cents) on ASX on Monday, 28 September 2020 (being the previous trading day of Emperor Energy prior to this SPP); or
- (b) a 10% discount to the volume weighted average price (VWAP) of Emperor Energy's Shares calculated over the last 5 days on which sales of Shares are recorded on the ASX up to and including the Closing Date, rounded down to the nearest one tenth of one cent.

Therefore, the maximum Offer Price will be 3.5 cents per New Share.

3.2 Emperor Energy will announce the final Offer Price on the Issue Date.

The Offer to each eligible shareholder is made on the same terms and conditions. The offer is non-renounceable. The offer is not underwritten.

In accordance with the ASX Listing Rule 7.2 Exception 5, the issue price is at least 80% of the volume weighed average price (VWAP) for the 5 days in which trading in the shares occurred before the date of the issued is made.

The board recommends that you obtain your own financial and taxation advice in relation to the Offer and consider the price movements of Shares in the Company prior to making an application under this offer.

4. Number of New Shares

4.1 Application amount

If you are an eligible shareholder, you can apply for up to a maximum of \$30,000 worth of New Shares. Eligible Shareholders can have selection of the following alternatives:

Offer	Value
A	\$1,000
B	\$2,500
C	\$5,000
D	\$7,500
E	\$10,000
F	\$15,000
G	\$20,000
H	\$25,000
I	\$30,000

4.2 \$30,000 maximum

The total costs of New Shares purchased by each Eligible Shareholder (including through joint holdings, multiple share accounts or any holding in which they have a beneficial interest) must not exceed \$30,000.

The Company reserves the right to issue to an Eligible Shareholder fewer New Shares than the number specified in an Application Form for whatever reason, including to avoid the possible subscription of over \$30,000 worth of New Shares by a shareholder through multiple applications or joint holdings.

No fractions of New Shares will be issued.

4.3 Maximum number of New Shares to be issued

(a). **ASX Listing Rules limitation:** In accordance with ASX Listing Rule 7.2 Exception 5, the total number of New Shares under the Offer must not exceed 30% of the number shares currently on issue.

(b). **Discretionary limitation:** Emperor Energy intends to raise \$300,000 under the SPP which is not underwritten but reserves the right to increase or decrease the amount raised at its discretion. Emperor Energy also reserves the right to scale back application under the SPP.

The maximum of 28,571,428 Shares which could be issued pursuant to the Offer, could raise a maximum of approximately \$1,000,000 (if issue price is 3.5 cents per share).

(c). **Board discretion:** The Board reserves its right to reject or scale back any application in whole or in part, in accordance with the allocation policy described above. The Board reserves absolute discretion regarding the final amount raised under the Offer (subject to the requirements of ASIC Corporations (Share and Interest Purchase Plans, instrument 2019/547 and the ASX Listing Rules. If there is a rejection or scale back, your application monies may be greater than the value of New Shares issues to you under the Offer, in which case the excess application monies will be refunded to you, without interest.

5. Participation costs

You must pay the Issue Price per New Share and any fees or charges incurred by you in participating in the Offer, for example, bank fees or fees of professional advisors. No commission is payable by the Company on the Issue of the New Shares and no brokerage applies.

6. Rights attaching

The rights and obligations of the New Shares are contained in the Constitution of the Company (Which is available on the Company's website). The New Shares will be issued on the same terms as all other ordinary shares in the Company.

7. Allotment of New Shares

Subject to these terms and conditions, the New Shares will be allotted as soon as possible after the Offer closing date. The Company will send or cause to be sent to you. A holding statement in due course.

8. Payment for New Shares

You can make a payment via:

(a) BPAY if you are the holder of an account with an Australian financial institution that supports BPAY transactions; or

(b) EFT if you are a holder of an account that supports EFT transactions to an Australian bank account.

Please note that by paying by BPAY or EFT:

(a) you must quote your reference number quoted on the front of this form;

(b) you do not need to submit an Application Form but are taken to have made the declaration on the Application Form;

It is your responsibility to ensure your BPAY payment or payment via EFT is received by the Share Registry by no later than 7.00pm (AEDST) on the Closing Date. You should be aware that your financial institution may implement earlier cut off times with regards to electronic payment and may charge fees associated with processing an EFT and you should therefore take this into consideration when making payment.

9. Risks

New Shares are a speculative investment and the market price may change between the dates you apply for New Shares and the issue of New Shares to you. Accordingly, the value of New Shares applied for may rise or fall.

This Offer is not a prospectus and does not require the types of disclosures required under the Corporations Act for a disclosure document. You must rely on your own knowledge of the Company, previous disclosures made by the company to the ASX, and, if necessary, consult your professional advisor when deciding whether or not to participate in the Offer.

10. Privacy

By receiving completed applications, the Company collects personal information about shareholders. The Company will use this information for

the purposes of processing the applications and updating the records of the Company. Unless required by law, the Company will not disclose the personal information for another purpose without the consent of the shareholder. Except as stated by the law, shareholders are able to access, upon request, their personal information held by the company. For further information about how we manage your personal information or if you wish to obtain a copy of the Company's Privacy policy, please contact us.

11. Use of funds

The Board presently intends that that funds raise from the Offer will be applied towards:

- (a). The work programs of the company's exploration activities;
- (b). General working capital

12. Important Dates

The important dates in relation to this Offer are summarized below:

Record Date (7.00pm AEST)	Monday 28 September 2020
Announcement of Offer	Tuesday 29 September 2020
Dispatch of Offer Document and Application Form	Wednesday 30 September 2020
Offer opening date	Wednesday 30 September 2020
Offer closing date (7.00pm AEDST)	Wednesday 14 October 2020
Announcement of results of Offer	Friday 16 October 2020
Issue of New Shares	Monday 19 October 2020
Commence of trading of New Shares	Tuesday 20 October 2020

These above dates are indicative only. The Company may vary the dates and times of the Offer by lodging a revised notice with the ASX.

As the Offer is made on a 'first in, first accepted' basis, the Closing Date may be earlier than specified and particularly so if applications have been received for the maximum subscription amount.

13. Joint holders

If you are a joint holder of existing shares, you are taken to be a single registered holder of existing Shares for the purposes of determining whether you are an Eligible Shareholder and joint holders are entitled to participate in the Offer in respect of that single holding only.

14. Custodians, trustee and nominees

14.1 Custodians

If you are an Eligible Shareholder and hold Shares as a custodian (as defined in ASIC Corporations, Share and Interest Purchase Plans Instrument 2019/547), Custodian, or in any more specific ASIC relief granted to the Company in relation to the Offer, you may apply for up to \$30,000 worth of New Shares for each beneficiary for whom you act as Custodian provided you complete and submit a certificate (Custodian Certificate) with the following information:

- (a) that you held Share on behalf of:
 - (i). one or more other person that are not custodian; and / or
 - (ii). another custodian (downstream custodian) that hold beneficial interest in Shares on behalf of one or more other persons to which those beneficial interest relate, (each Participating Beneficiary) at the Record Date who have subsequently instructed you, and / or the Downstream Custodian, to apply for Shares under the Offer on their behalf.
- (b) the number of Participating Beneficiaries and their names and address;
- (c) the number of Shares that you hold on behalf of each Participating Beneficiary;
- (d) the number or dollar amount of Shares that each Participating Beneficiary has instructed you either directly or indirectly through a Downstream Custodian, to apply for on their behalf;
- (e) that the issue Price for Shares applied under the Offer for each Participating Beneficiary for whom you act in addition to the application price for any other Shares issued to you as custodian (as a result of instructions given to you as a Custodian or a Downstream Custodian) for that Participating Beneficiary under any arrangement similar to the Offer in the prior 12 months does not exceed \$30,000.
- (f) that a copy of the written document was given to each Participating Beneficiary; and

(g) where you hold Shares on behalf of a Participating Beneficiary indirectly, through one or more Downstream Custodians, the name and address of each Downstream Custodian.

For the purposes of ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547 you are a 'Custodian' if you provide a custodian or depository service in relation to shares of a body or interest in a registered scheme and who:

(a) holds an Australian Financial Services Licence covering the provision of a custodian or depository service;

(b) is exempt from the requirements to hold an Australian Financial Services Licence covering the provision of a custodian or depository service;

(c) holds an Australian Financial Services Licence covering the operation of an IDPS or is a responsible entity of an IDPS-like scheme;

(d) is a trustee of a self-managed superannuation fund or a superannuation master trust; or

(e) is a registered holder of Shares or Interest in the class and is noted on the register of members of the body or scheme as holding the shares or interests on account of another person.

If you hold Shares as a trustee or nominee for another person or persons but are not a Custodian as defined above, you cannot participate for beneficiaries in the manner described above. In this case, the rules for multiple single holdings (paragraph 4.2) apply.

Custodians should request a Custodian Certificate when making an application on behalf of Participating Beneficiaries. To request a Custodian Certificate and if you would like further information on how to apply, you should contact the Company's Share Registry during the offer period.

The Company reserves the right to reject an application for Shares to the extent it considers that the application (whether alone or in conjunction with other applications) does not comply with these Terms and Conditions.

15. Foreign offering restrictions

15.1 Distribution

This document does not constitute an offer of Shares in jurisdiction in which it would be unlawful, and had been prepared for distribution in Australia and New Zealand only and may not be released or distributed elsewhere.

15.2 New Zealand

The New Shares are not being offered or sold to the public within New Zealand other than to existing shareholders of the Company with registered addresses in New Zealand to whom the offer of New Shares is being made in reliance on the Financial Markets Conduct Act 2013 and the Financial Markets Conduct (incident Offers) Exemption Notice 2016. This document is not a product disclosure statement under New Zealand law and is not required to, and may not, contain all the information that a product disclosure statement under New Zealand law is required to contain.

15.3 Custodian

The Company is not required to determine, and will not determine, the identity or residence of any beneficiaries are Eligible Beneficiaries.

16. No Financial Advice

This document does not provide financial advice and has been prepared without taking account of any person's investment objection, financial situation or particular needs. You should consider the appropriateness of participating in the Offer having regard to your investment objectives, financial situation or particular needs. Shareholders should seek independent financial and taxation advice before making any investment decisions in relation to these matters.

17. Acknowledgement

By making a payment via BPay or EFT, you:

(a) irrevocably and unconditionally agree to the terms and conditions of the Offer and the terms and conditions of the Application Form and agree not to do any act or thing that would be in contrary to the spirit, intention or purpose of the Offer;

(b) warrant that all details and statements in your application are true and complete and not misleading;

(c) agree that your application will be irrevocable and unconditional (that is, it cannot be withdrawn even if the market price of the Shares is less than the Issue Price);

(d) warrant that you are an Eligible Shareholder and are eligible to

participate in the Offer;

(e) acknowledge that no interest will be paid on any application monies held pending the issue of the Shares under the Offer or subsequently refunded to you for any reason;

(f) acknowledge that the Company and its officers and agents, are not liable for any consequences of the exercise or non-exercise of its discretions referred to in these terms and conditions;

(g) if you are applying on your own behalf (and not as a Custodian), acknowledge and agree that:

(i) you are not applying for Shares with an application price of more than \$30,000 under the Offer (including by instructing a Custodian to acquire Shares on your behalf under the Offer); and

(ii) the total of the application price for the offer does not exceed \$30,000;

(A). the Shares the subject of the Application;

(B). any other Shares issued to you under the Offer or any similar arrangement in the 12 months before the application (excluding Shares applied for but not issued).

(C). any other Shares which you have instructed a Custodian to acquire on your behalf under the offer; and

(D). any other Shares issued to a Custodian in the 12 months before the application as a result of an instruction given by you to the Custodian to apply for Shares on your behalf under an arrangement similar to the offer.

(h) If you are a Custodian and are applying on behalf of a Participating Beneficiary on whose behalf you hold Shares, acknowledge and agree that:

(i) you are a Custodian (defined above);

(ii) you hold Shares (directly or indirectly) on behalf of one or more Participating Beneficiaries;

(iii) you held Shares on behalf of the Participating Beneficiary as at the Record Date who has instructed you to apply for Shares on their behalf under the Offer;

(iv) the information in the Custodian Certificate and payment is true, correct and not misleading;

(i) agree to be bound by the constitution of the Company (as amended from time to time);

(j) acknowledge that none of the Company, its advisers and agents, has provided you with any financial product or investment advice or taxation advice in relation to the Offer, or has any obligation to provide such advice;

(k) authorise the Company and its officer and agents, to correct minor or easily rectified errors in, or omission from, your Application Form and to complete the Application Form by the insertion of any missing minor detail; and

(l) have not distributed this document or any other documents relating to the Offer to any person in the USA. Failure to comply with these restrictions may result in violation of applicable securities laws.

18. Additional provisions

18.1 Amendments

The Company may amend the terms of the Offer at any time. Any material amendments will be announced to the ASX.

18.2 Termination

The Company may terminate or otherwise withdraw the Offer at any time. Any termination or withdrawal will be announced to the ASX, and any application monies received will be refunded without interest.

18.3 Interpretation

The Company may act or omit to act in relation to the Offer (including applying the terms of the Offer) in its absolute discretion. The Company may settle any difficulty of question of fact or interpretation in relation to the Offer in any matter it thinks fit, whether generally or in relation to any participate, application or Share. The Company's decision will be conclusive and binding. The Company reserves the right to waive strict compliance

with the terms of the Offer. The Board or any delegate may exercise the powers of the Company under the terms of the Offer.

19. Definitions

In this document the following terms have these meanings:

AEDST means Australian Eastern Daylight Saving Time.

AEST means Australian Eastern Standard Time.

Application Form means the personalised application form which accompanies this Share Purchase Plan Offer.

Approved Jurisdictions means Australia, New Zealand and Hong Kong. **Emperor Energy** or the **Company** means Emperor Energy Ltd (ACN 006 024 764).

ASIC means the Australian Securities & Investments Commission.

ASX means ASX Limited (ABN 98 008 624 691) or the Australian Securities Exchange, as the context requires.

ASX Listing Rules or **Listing Rules** means the Listing Rules of the ASX.

Class Order means ASIC class order CO 19/547.

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

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

Custodian means the meaning given in the Class Order, namely a person that:

- (a) holds an Australian financial services licence that:
 - (i) covers the provision of a custodial or depositary service; or
 - (ii) includes a condition requiring the holder to comply with the requirements of ASIC Class Order 02/294; or
- (b) is exempt under:
 - (i) paragraph 7.6.01(1)(k) of the Corporations Regulations; or
 - (ii) paragraph 7.6.01(1)(na) of the Corporations Regulations; or
 - (iii) ASIC Class Order 05/1270 to the extent that it relates to ASIC Class Order 03/184; or
 - (iv) ASIC Class Orders 03/1099, 03/1100, 03/1101, 03/1102, 04/829 or 04/1313; or
 - (v) an individual instrument of relief granted by ASIC to the person in terms similar to one of the class orders referred to in subparagraph (iv); or
 - (vi) paragraph 911A(2)(h) of the Corporations Act; from the requirement to hold an Australian
 - (vii) financial services licence for the provision of a custodial or depositary service; or
- (c) is a trustee of a:
 - (i) self-managed superannuation fund; or
- (d) is the responsible entity of an IDPS-like scheme; or
- (e) is the registered holder of Shares or interests in the class or interests in the class and is noted on the register of members of the Company as holding the Shares or interests on account of another person.

Custodian Certificate means the certificate outlined in **section 14** of the Terms and Conditions.

Director means a director of the Company.

Eligible Shareholder or **Eligible Holders** means a person who is eligible to participate in the Offer in accordance with the Terms and Conditions.

Issue Date means the date the New Shares are issued and allotted, expected to be Monday, 19 October 2020.

New Shares means the Shares offered in the Share Purchase Plan Offer.

Offer or **SPP** means the offer of New Shares in the Share Purchase Plan Offer.

Offer Date means 29 September 2020, being the date of this Share Purchase Plan Offer.

Offer Price means the lower of \$0.035 (3.5 cents) and a 10% discount to the VWAP of Emperor Energy's Shares calculated over the last five (5) days on which sales of Shares are recorded on the ASX up to and including the Closing Date rounded down to the nearest one tenth of one cent.

Record Date means 5:00pm (AEST) on Monday, 28 September 2020.

Share means a fully paid ordinary share in Emperor Energy Ltd and **Shares** has a corresponding meaning.

Shareholder means the holder of a Share(s).

Share Purchase Plan Offer means this document.

Share Registry means Automatic Registry Services.

SPP or **Offer** means the offer of New Shares in the Share Purchase Plan Offer.

Terms and Conditions means the terms and conditions of the Offer set out in this Share Purchase Plan Offer.

US Person means a "U.S. person" as defined in Regulation S under the US Securities Act of 1933. **US Securities Act** means *US Securities Act of 1933*.

VWAP means volume weighted average price.



EMPEROR ENERGY
LIMITED

Emperor Energy Limited | ACN 006 024 764

All Registry Communication to:



AUTOMIC

GPO Box 5193, Sydney NSW 2001
1300 288 664 (within Australia)
+61 2 9698 5414 (international)
corporate.actions@automicgroup.com.au
www.automicgroup.com.au

[EntityRegistrationDetailsLine1Envelope]
[EntityRegistrationDetailsLine2Envelope]
[EntityRegistrationDetailsLine3Envelope]
[EntityRegistrationDetailsLine4Envelope]
[EntityRegistrationDetailsLine5Envelope]
[EntityRegistrationDetailsLine6Envelope]

SRN/HIN: [HolderNumberMasked]

ASX Code: EMP

Record Date: 5.00pm (AEST) on 28 September 2020

SHARE PURCHASE PLAN APPLICATION FORM

Offer Closes at 5.00pm (AEST) on 14 October 2020

1: SUBSCRIPTION

Emperor Energy Limited (ASX: EMP) (**Company**) is offering you the opportunity to purchase up to A\$30,000 of fully paid ordinary shares (**New Shares**) in the Company (subject to any discretionary scale back or oversubscriptions) by way of a Share Purchase Plan (**SPP**). The price per Share under the SPP being offered is the lower of A\$0.035 or a 10% discount to the volume weighted average price (VWAP) of Emperor Energy's Shares calculated over the last 5 days on which sales of Shares are recorded on the ASX up to and including the Closing Date, rounded down to the nearest one tenth of one cent. per New Share. Other than as defined in this Application Form, capitalised terms have the same meaning as defined in the Offer Document.

You may subscribe for any one of the following parcels (subject to a maximum band or any scale back) described below by paying the applicable Subscription Amount in accordance with the payment instructions in section 2 of this Application Form:

Offer	Application Amount (A\$)	Offer	Application Amount (A\$)
Offer A	\$1,000	Offer F	\$15,000
Offer B	\$2,500	Offer G	\$20,000
Offer C	\$5,000	Offer H	\$25,000
Offer D	\$7,500	Offer I	\$30,000
Offer E	\$10,000		

2: PAYMENT: You can pay either by BPAY® or EFT

Option A – BPAY®



Billers Code: 337212

Ref No: [BPayCRN]

Contact your financial institution to make your payment from your cheque or savings account.

Note: You do not need to return this form if you have made payment via BPAY®. Your BPAY® reference number will process your payment for your application for Shares electronically.

Option B – Electronic Funds Transfer (EFT)

The unique payment reference number which has been assigned to your Application is: **EMP [HolderId]**

Funds are to be deposited in AUD currency directly to following bank account:

Account name: Automic Pty Ltd
Account BSB: 036011
Account number: 607996
Swift Code: WPACAU2S

IMPORTANT: You must quote your unique reference number as your payment reference/ description when processing your EFT payment. Failure to do so may result in your funds not being allocated to your application and Shares subsequently not issued.

Note: You do not need to return this form if you have made payment via EFT. Your unique reference number will process your payment for your application for Shares electronically.

The Company encourages participants in the SPP Offer to apply for the Shares by BPAY® or EFT as a matter of public safety, to avoid the handling of paper Application Forms and to overcome potential mail delays in light of the ongoing COVID-19 pandemic. Cheques and cash will not be accepted as a form of payment.