

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, 04/03/13

Name of entity

Petsec Energy Ltd

ABN

92 000 602 700

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	¹ Class of ¹ securities issued or to be issued	Fully paid ordinary shares. Options over fully paid ordinary shares.
2	Number of ¹ securities issued or to be issued (if known) or maximum number which may be issued	10 million shares and 10 million options issued to Sing Rim Pte Ltd (being fees for extension of the maturity date of the convertible note facility from 31 December 2017 to 5 July 2018 and rights issue sub-underwriting fee).
3	Principal terms of the ¹ securities (e.g. if options, exercise price and expiry date; if partly paid ¹ securities, the amount outstanding and due dates for payment; if ¹ convertible securities, the conversion price and dates for conversion)	The shares are ordinary fully paid shares. The options are exercisable at 15 cents per share by 5 July 2018.

<p>4 Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities?</p> <p>If the additional +securities do not rank equally, please state:</p> <ul style="list-style-type: none"> • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment 	<p>The shares will rank equally in all respects with the existing class of ordinary shares of the Company.</p> <p>The options represent a new class of unquoted securities.</p>
<p>5 Issue price or consideration</p>	<p>Shares: 15 cents per share.</p> <p>Options: nil consideration.</p>
<p>6 Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)</p>	<p>5 million shares to be issued to Sing Rim Pte Ltd in consideration of extension of the secured convertible note facility maturity date from 31 December 2017 to 5 July 2018.</p> <p>A further 5 million shares and 10 million options to be issued to Sing Rim Pte Ltd in consideration of sub-underwriting \$5.5 million of the December 2016 rights issue.</p>
<p>6a Is the entity an +eligible entity that has obtained security holder approval under rule 7.1A?</p> <p>If Yes, complete sections 6b – 6h <i>in relation to the +securities the subject of this Appendix 3B</i>, and comply with section 6i</p>	<p>Yes</p>
<p>6b The date the security holder resolution under rule 7.1A was passed</p>	<p>19 May 2016</p>

⁺ See chapter 19 for defined terms.

6c	Number of [†] securities issued without security holder approval under rule 7.1	10 million shares and 10 million options.
6d	Number of [†] securities issued with security holder approval under rule 7.1A	Not applicable
6e	Number of [†] securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)	Not applicable
6f	Number of [†] securities issued under an exception in rule 7.2	Not applicable
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.	Not applicable
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	Not applicable
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 Annexure 1
7	[†] Issue dates Note: The issue date may be prescribed by ASX (refer to the definition of issue date in rule 19.12). For example, the issue date for a pro rata entitlement issue must comply with the applicable timetable in Appendix 7A.	15 March 2017 Cross reference: item 33 of Appendix 3B.

	Number	⁺ Class
8 Number and ⁺ class of all ⁺ securities quoted on ASX (<i>including</i> the ⁺ securities in section 2 if applicable)	300,287,924	Fully Paid Ordinary shares
9 Number and ⁺ class of all ⁺ securities not quoted on ASX (<i>including</i> the ⁺ securities in section 2 if applicable)	10,000,000	Options ex 15 cents by 5 July 2018
10 Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	Not applicable	

Part 2 - Pro rata issue

11 Is security holder approval required?	Not applicable
12 Is the issue renounceable or non-renounceable?	Not applicable
13 Ratio in which the ⁺ securities will be offered	Not applicable
14 ⁺ Class of ⁺ securities to which the offer relates	Not applicable
15 ⁺ Record date to determine entitlements	Not applicable
16 Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	Not applicable
17 Policy for deciding entitlements in relation to fractions	Not applicable

⁺ See chapter 19 for defined terms.

18	Names of countries in which the entity has security holders who will not be sent new offer documents	Not applicable
	Note: Security holders must be told how their entitlements are to be dealt with.	
	Cross reference: rule 7.7.	
19	Closing date for receipt of acceptances or renunciations	Not applicable
20	Names of any underwriters	Not applicable
21	Amount of any underwriting fee or commission	Not applicable
22	Names of any brokers to the issue	Not applicable
23	Fee or commission payable to the broker to the issue	Not applicable
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of security holders	Not applicable
25	If the issue is contingent on security holders' approval, the date of the meeting	Not applicable
26	Date entitlement and acceptance form and offer documents will be sent to persons entitled	Not applicable
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	Not applicable
28	Date rights trading will begin (if applicable)	Not applicable
29	Date rights trading will end (if applicable)	Not applicable
30	How do security holders sell their entitlements <i>in full</i> through a broker?	Not applicable

31	How do security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	Not applicable
32	How do security holders dispose of their entitlements (except by sale through a broker)?	Not applicable
33	⁺ Issue date	Not applicable

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

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Questions 35 to 42 are not applicable.

⁺ See chapter 19 for defined terms.

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 is not available now, we 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.

Sign here:



Date: 15 March 2017
 Company secretary & Group Financial Controller

Print name: Paul Gahdmar

⁺ 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 Amended 04/03/13

Part 1

Rule 7.1 – Issues exceeding 15% of capital	
Step 1: Calculate “A”, the base figure from which the placement capacity is calculated	
<i>Insert</i> number of fully paid ⁺ ordinary securities on issue 12 months before the ⁺ issue date or date of agreement to issue	235,461,630
Add the following:	
<ul style="list-style-type: none">Number of fully paid ⁺ordinary securities issued in that 12 month period under an exception in rule 7.2Number of fully paid ⁺ordinary securities issued in that 12 month period with shareholder approvalNumber of partly paid ⁺ordinary securities that became fully paid in that 12 month period	50,919,976 on 19 December 2016 2,906,318 on 12 January 2017 5,000,000 on 17 October 2016
<i>Note:</i> <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>	
Subtract the number of fully paid ⁺ ordinary securities cancelled during that 12 month period	4,000,000 (Selective Buy-back as approved by Shareholders at 19 May 2016 AGM)
“A”	290,287,924

⁺ See chapter 19 for defined terms.

Step 2: Calculate 15% of “A”	
“B”	0.15 <i>[Note: this value cannot be changed]</i>
Multiply “A” by 0.15	43,543,189
Step 3: Calculate “C”, the amount of placement capacity under rule 7.1 that has already been used	
Insert number of ⁺ equity securities issued or agreed to be issued in that 12 month period <i>not counting</i> those issued: <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> 	10,000,000 shares 10,000,000 options
“C”	20,000,000
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>	43,543,189
Subtract “C” <i>Note: number must be same as shown in Step 3</i>	20,000,000
Total [“A” x 0.15] – “C”	23,543,189 <i>[Note: this is the remaining placement capacity under rule 7.1]</i>

⁺ 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>	290,287,924
Step 2: Calculate 10% of “A”	
“D”	0.10 <i>Note: this value cannot be changed</i>
Multiply “A” by 0.10	29,028,792
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">• This applies to equity securities – not just ordinary securities• Include here – if applicable – the securities the subject of the Appendix 3B to which this form is annexed• 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• It may be useful to set out issues of securities on different dates as separate line items	
“E”	0

⁺ See chapter 19 for defined terms.

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>	29,028,792
Subtract “E” <i>Note: number must be same as shown in Step 3</i>	0
Total [“A” x 0.10] – “E”	29,028,792 <i>Note: this is the remaining placement capacity under rule 7.1A</i>

+ See chapter 19 for defined terms.