

ASX-RNS Announcement

18 November 2022

ASX: SYN / AIM: SYN

Formal request for removal from the Official List of the ASX

Synergia Energy Ltd (the “**Company**” or “**Synergia**”) (formerly named Oilex Ltd) has submitted a formal application for its removal from the Official List of the Australian Securities Exchange (“**ASX**”) pursuant to ASX Listing Rule 17.11. This would mean that the Company’s shares would no longer be quoted on the ASX and would instead solely be quoted on London’s AIM market.

The Company has sought, and received, in-principle advice from ASX that it will agree to the request for removal upon the satisfaction of certain conditions, which the Company has satisfied or intends to satisfy prior to its removal.

The Company sets out the following information for security holders reference in accordance with Section 2.4 of ASX Guidance Note 33 titled ‘*Removal of Entities from the ASX Official List*’:

1. **Formal application**

The Company has formally applied to ASX for removal from the Official List as at today’s date in accordance with the ASX Listing Rules.

2. **Reasons for seeking approval**

The reasons for seeking removal from the Official List are as follows:

- (a) **Primary Listing is not in Australia:** the Company considers its primary listing to have moved from the ASX to AIM resulting from the fact that a majority of its shares are now traded in the UK;
- (b) **Low liquidity:** the low trading volume and liquidity of the Company’s shares on the Official List is such that any significant trading leads to increased daily volatility on the Official List. This volatility may prevent investors from making an accurate assessment of the actual value of the Company;
- (c) **Limited operations in Australia:** the Company does not currently have any tangible nexus with Australia from an operational perspective, which undermines the basis for retaining a listing on ASX. Further, it has divested the entirety of its Australian assets in the Cooper Eromanga Basin to Armour Energy Ltd. Finally, we note that the Company’s intention is for its senior management team to be based in the UK and as result no operational capabilities will remain within Australia;
- (d) **Lack of Funding in Australia:** for the past several years the Company has not been successful in raising funding from Australian based shareholders. In fact, without the support of its UK shareholder base the Company would not have been able to continue trading;
- (e) **Company’s Board of Directors has taken steps to transfer Management to the UK:** the Company’s Chief Executive Officer and Chief Financial Officer are currently located in the UK.

Consequently, of the Company's five directors, only two reside in Australia with only one of them having any operational focus;

- (f) **Additional costs:** The continued listing of the Company on ASX requires the Company to incur considerable corporate and administrative costs, including listing fees. The costs and administrative burden of remaining listed on ASX outweigh any benefits of a continued listing. The Board considers that the costs associated with maintaining an ASX listing are no longer justified, nor are the higher level of compliance costs in the best interests of all shareholders of the Company. Additionally, there are indirect costs associated with the need to devote time to managing the Company's listing and compliance obligations, which could be directed elsewhere if the Company was removed from the Official List of ASX; and
- (g) **The Company's Strategic Objectives:** in addition to developing the Company's existing assets in India, the Company's strategy is to acquire additional gas assets in the Southern North Sea with the focus on carbon capture and sequestration. The Board considers that raising capital for this strategic move will be better achieved from the UK market.

3. Consequences of removal for Company and security holders

The consequences for the Company and its security holders if it is removed from the Official List are as follows:

- (a) the Company's shares will no longer be quoted on ASX and will no longer be traded on the ASX. This will mean that security holders will no longer have the ability to sell their securities and release their investment in the Company via ASX trading;
- (b) the Company's shares will only be capable of sale via AIM or via off-market private transactions (subject to compliance with the *Corporations Act 2001* (Cth));
- (c) the Company will no longer be able to raise capital on the ASX from the issue of securities by means of limited disclosure fundraising documents;
- (d) for as long as the Company has at least 50 members the Company will remain subject to the "takeovers" provisions of the *Corporations Act 2001* (Cth);
- (e) a reduction of obligations associated with a listing on ASX, which may include relief from some reporting and disclosure requirements, removal of restrictions on the issue of shares by the Company and requirements concerning significant changes to the Company's activities; and
- (f) the ASX Corporate Governance Principles and Recommendations will no longer be applicable to the Company.

The Company also confirms that it will be classed as an "unlisted disclosing entity" under the *Corporations Act 2001* (Cth) following its removal from the Official List for as long as the Company has at least 100 members. Given that it will be classed as an "unlisted disclosing entity" initially, the ramifications include that the Company will be subject to the "continuous disclosure" provisions of the *Corporations Act 2001* (Cth), which are substantially the same as those imposed under ASX Listing Rule 3.1.

Additionally, the Company will continue to be subject to obligations to prepare audited annual and half-yearly financial statements under Part 2M.3 of the *Corporations Act 2001* (Cth) (and the AIM Rules for Companies) and will be required to hold an annual general meeting of security holders at least once every calendar year and within five months after the end of its financial year in accordance with Section 250N of the *Corporations Act 2001* (Cth).

Moreover, security holders will continue to receive the benefit of the protections under Chapter 6 of the *Corporations Act 2001* (Cth) (for so long as the Company has 50 security holders or more) and the related party provisions in Chapter 2E of the *Corporations Act 2001* (Cth) with respect to any financial benefits provided to any related parties by the Company.

4. Arrangements for sale of securities

The following arrangements will be in place to enable security holders to sell their securities in the lead up to, and after, the Company's removal from the Official List:

- (a) **Prior to Removal from the Official List:** The Company's security holders may continue to trade their securities on the ASX up until the date that the Company is removed from the Official List of the ASX. This will give security holders more than a month to seek to trade their securities on the ASX to exit the Company prior to the delisting of the Company, if they do not wish to remain as security holders.
- (b) **Following Removal from the Official List:** In relation to securities after the Company's removal from the Official List, the Company will arrange for its UK broker, being Novum Securities Limited, to facilitate the sale of the Company shares on AIM on behalf of Australian shareholders and, if requested by the Shareholder, convert and remit the net proceeds of the sale in Australian dollars to the shareholder. It will do so via the conversion of the Australian shares held in CHESS into Depositary Instruments in the UK. This will require the transfer of the shares from the current Shareholder to the Link Share Services depository account in CHESS.

Once the shares have been deposited in the Link Account, the UK share registry will issue the Depositary Instruments which Novum Securities Limited will then sell on the AIM market. The Company has confirmed with Link Market Services that such transactions are capable of being performed quickly and efficiently. Further the costs of such conversion will be for the Company's account and are a minimal overall expense.

5. In-principle advice obtained

The Company has received in-principle advice from ASX that it will agree to the request to be removed from the Official List on the following conditions:

- (a) The Company sends written or electronic communication to all security holders whose securities are held on the Company's Australian register, in form and substance satisfactory to ASX, setting out:
 - (i) the nominated time and date at which the entity will be removed from the ASX official list and that:
 - A. if they wish to sell their securities on ASX, they will need to do so before then; and
 - B. if they do not, thereafter, they will only be able to sell the underlying securities on-market on AIM.
 - (ii) generally what they will need to do if they wish to sell their securities on AIM.
- (b) The removal shall not take place any earlier than one month after the above-mentioned communication has been sent to security holders, so that security holders have at least that period to sell their securities on ASX should they wish to do so; and

- (c) The Company releases the full terms of the ASX's in-principle decision dated 10 November 2022 to the market upon formal application to delist the Company from the official list of ASX (see Annexure 'A' to this announcement).

The proposed timeline for satisfying the conditions set out above is as follows:

Event	Date
Trading Halt Formal delisting request and draft ASX announcement provided to ASX	17 November 2022
Release of ASX announcement to market	18 November 2022
Written communication sent to security holders with respect to delisting Notice in relation to Depositary Interest Deed sent to Depositary Interest holders	21 November 2022
Removal of the Company from Official List	30 December 2022

Note: Dates in the table above are indicative only and subject to change by the Company and/or the ASX.

On the basis of the above, the expected date for the Company's removal from the Official List is 30 December 2022, being not less than one month after the date that written communication is sent to security holders with respect to the Company's delisting on the ASX.

6. Remedies that may be pursued by security holders

The Company confirms that remedies may be pursued by the security holders of the Company under the following provisions of the *Corporations Act 2001* (Cth) (or any equivalent overseas legislation):

- (a) **Part 2F.1 of the *Corporations Act 2001* (Cth):** if the security holder considers the removal of the Company from the Official List to be contrary to the interests of security holders as a whole or oppressive to, unfairly prejudicial to, or unfairly discriminatory against, a security holder or security holders, the security holder may apply to the Court for an order under Part 2F.1 of the *Corporations Act 2001* (Cth).

Under Section 233 of the *Corporations Act 2001* (Cth), the Court can make any order that it considers appropriate in relation to the Company, including an order that the Company be wound up or an order regulating the conduct of the Company's affairs; or

- (b) **Part 6.10 of the *Corporations Act 2001* (Cth):** if the security holder considers the removal of the Company from the Official List as involving "unacceptable circumstances", the security holder may apply to the Takeovers Panel for a declaration of unacceptable circumstances and other orders under Part 6.10 Division 2 Subdivision B of the *Corporations Act 2001* (Cth).

Under Section 657D of the *Corporations Act 2001* (Cth), if the Takeovers Panel has declared circumstances to be unacceptable it may make any order that it thinks appropriate to protect the rights of any person or group of persons where the Takeovers Panel is satisfied that those rights are being affected, or will be or are likely to be affected, by the circumstances.

Please do not hesitate to contact the Company should you have any queries in relation to the matters set out in this announcement.

This announcement has been authorised for release by the Board of Synergia Energy Limited.

For and on behalf of Synergia Energy Ltd



Roland Wessel
CEO

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Annexure A – full terms of ASX in-principle decision



10 November 2022

Mr Connor Graham
Palisade Corporate Law

By email

Dear Mr Graham

Synergia Energy Limited ('SYN'): Decision in-principle waiver application

I refer to your letter dated 15 September 2022 applying on behalf of SYN for in-principle advice in relation to ASX Listing Rule 17.11.

I am pleased to advise that on receipt of a formal application to ASX Limited ('ASX'), ASX would be likely to do the following:

1. Subject to Resolution 2, and based solely on the information provided, on receipt of an application for removal from the official list of ASX Limited ("ASX") under listing rule 17.11 by Synergia Energy Limited (the "Company"), ASX would be likely to remove the Company from the official list of ASX, on a date to be decided by ASX, subject to compliance with the following conditions:
 - 1.1. The Company sends written or electronic communication to all security holders whose securities are held on the Company's Australian register, in form and substance satisfactory to ASX, setting out:
 - 1.1.1. the nominated time and date at which the entity will be removed from the ASX official list and that:
 - a. if they wish to sell their securities on ASX, they will need to do so before then; and
 - b. if they do not, thereafter, they will only be able to sell the underlying securities on-market on the AIM market of the London Stock Exchange ('AIM').
 - 1.1.2. generally what they will need to do if they wish to sell their securities on AIM.
 - 1.2. The removal shall not take place any earlier than one month after the above-mentioned communication has been sent to security holders, so that security holders have at least that period to sell their securities on ASX should they wish to do so; and
 - 1.3. The Company releases the full terms of this decision to the market upon formal application to delist the Company from the official list of ASX.
2. Resolution 1 applies only until 10 February 2023 and is subject to any amendments to the listing rules or changes in the interpretation or administration of the listing rules and policies of ASX.

ASX has considered listing rule 17.11 only and makes no statement as to the Company's compliance with other listing rules.

Once SYN has made its formal request for removal from the official list with ASX, SYN must shortly after, make an announcement (in form and substance satisfactory to ASX) that includes information outlined in section 2.4 of ASX Guidance Note 33. Please send the draft announcement to ASX Listings Compliance as required under Listing Rule 15.1 for review. ASX Listings Compliance must review and approve the announcement before it may be lodged with the Market Announcements Office. Should any of the bullet points in section 2.4 of

Guidance Note 33 not be applicable to SYN, SYN should state this fact, and provide an explanation in the announcement.

If you have any further enquiries in relation to this matter, please do not hesitate to contact me.

Yours sincerely

Dale Allen
Manager, Listings Compliance (Perth)