



18 June 2015

Manager of Company Announcements
ASX Limited
Level 8 Exchange Plaza
2 The Esplanade
PERTH WA 6000

Via E-Lodgement

TRANSACTION UPDATE

We refer to the announcements of 8 May 2015 and 12 May 2015 by Orca Energy Limited (ASX: OGY) (the **Company** or **Orca**) in respect to the placement proposed to be undertaken to raise up to \$20 million (before costs) (**Placement**).

The Company has been seeking to obtain all necessary regulatory approvals required under the ASX Listing Rules for the purposes of satisfying the applicable condition precedent for the Placement (**Approvals Conditions Precedent**) (refer to the 8 May 2015 announcement). In liaising with the ASX in respect to the Placement and the Approvals Conditions Precedent, the ASX advised the Company of its concerns with the application of Listing Rule 12.3¹ and that the ASX would exercise its discretion to apply that Listing Rule to the Company, which effectively precludes the Company from undertaking the Placement on the terms proposed. The ASX's application of the applicable Listing Rule was not made apparent in initial discussions with the ASX prior to the announcement of the Placement.

As a result of the recent ASX discussions, the Company has been engaged with Bentley Resources Pte Ltd (**Bentley**) and Trepang Services Pty Ltd (**Trepang**) (together the **Subscribers**) to negotiate an alternative structure for the Placement.

The Company and the Subscribers have been unable to agree on an alternative structure for the Placement in a timely manner and as a result the Company will not be able to satisfy the Approvals Conditions Precedent.

Whilst this leaves the parties no longer in a position to proceed with the Placement, the Company intends to continue to engage with Bentley and Trepang to potentially identify, evaluate and if appropriate, acquire or invest in value adding assets.

For and on behalf of the Board

Greg Bandy
Managing Director

BOARD & MANAGEMENT

Mr Greg Bandy
MANAGING DIRECTOR

Mr Jason Bontempo
NON-EXECUTIVE DIRECTOR

Mr Nathan Rayner
NON-EXECUTIVE DIRECTOR

Mr Aaron Bertolatti
COMPANY SECRETARY

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SHARE REGISTRY

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Nedlands WA 6009

ASX CODE

OGY

¹ Listing Rule 12.3 provides that if half or more of an entity's total assets is cash or in a form readily convertible to cash, ASX may suspend quotation of the entity's securities until it invests those assets or uses them for the entity's business. The entity must give holders of ordinary securities in writing details of the investment or use. This rule does not apply to the following.

- A bank or a non-bank financial institution.
- A mining exploration entity or an oil and gas exploration entity, unless ASX decides otherwise.



Media Enquiries

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