

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

AJ Lucas Group Limited ("**Company**")

ABN

12 060 309 104

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	+Class of +securities issued or to be issued	Fully paid ordinary shares
2	Number of +securities issued or to be issued (if known) or maximum number which may be issued	<p>Approximately 712,592,369 fully paid ordinary shares ("New Shares") pursuant to an accelerated non-renounceable entitlement offer ("Entitlement Offer") comprising an institutional component ("Institutional Entitlement Offer") and retail component ("Retail Entitlement Offer"), as described in the announcement and investor presentation lodged with ASX on Thursday, 7 November 2019.</p> <p>However, the exact number of the New Shares to be issued pursuant to the Entitlement Offer, including the exact breakdown of New Shares to be issued pursuant to the Institutional Entitlement Offer and Retail Entitlement Offer, is not known at the date of this Appendix 3B as it remains subject to the final number of acceptances received, reconciliation of shareholder entitlements and the effect of rounding.</p>

+ See chapter 19 for defined terms.

3	Principal terms of the +securities (e.g. if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion)	The New Shares will have the same terms as existing fully paid ordinary shares in the Company.
4	<p>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 	Yes, the New Shares will rank <i>pari passu</i> with existing fully paid ordinary shares in the Company from the date of allotment.
5	Issue price or consideration	A\$0.065 per share
6	Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)	<p>The net proceeds from the Entitlement Offer will be used to:</p> <ul style="list-style-type: none"> • reduce the existing Kerogen subordinated debt facility; • meet the Company's share of future commitments to UK investments including to meet costs associated with the ongoing flow test of the second Preston New Road well (PNR-2) and the appraisal of other prospective sites; • fund any investment required to grow the Australian drilling business; and • fund general corporate costs and/or service debt. <p>Please refer to the investor presentation lodged by the Company with the ASX on Thursday, 7 November 2019.</p>

6a	Is the entity an +eligible entity that has obtained security holder approval under rule 7.1A? If Yes, complete sections 6b – 6h <i>in relation to the +securities the subject of this Appendix 3B</i> , and comply with section 6i	No
6b	The date the security holder resolution under rule 7.1A was passed	N/A
6c	Number of +securities issued without security holder approval under rule 7.1	N/A
6d	Number of +securities issued with security holder approval under rule 7.1A	N/A
6e	Number of +securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)	N/A
6f	Number of +securities issued under an exception in rule 7.2	N/A
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.	N/A
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	N/A
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	N/A

+ See chapter 19 for defined terms.

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.

Cross reference: item 33 of Appendix 3B.

The issue date for New Shares under the Institutional Entitlement Offer is Monday, 18 November 2019.

The issue date for New Shares under the Retail Entitlement Offer is Wednesday, 4 December 2019.

8 Number and +class of all +securities quoted on ASX (including the +securities in section 2 if applicable)

Number	+Class
<p>After completion of the Entitlement Offer there will be approximately 1,462,689,599 fully paid ordinary shares on issue in the Company. This is based on:</p> <ol style="list-style-type: none"> 1. 750,097,230 fully paid ordinary shares currently on issue in the Company as at the date of the Appendix 3B; and 2. 712,592,369 New Shares proposed to be issued under the Entitlement Offer, <p>subject to the final number of acceptances received, reconciliation of shareholder entitlements and the effect of rounding.</p>	Fully paid ordinary shares.

9 Number and +class of all +securities not quoted on ASX (including the +securities in section 2 if applicable)

Number	+Class
N/A	N/A

10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	The Company's dividend policy will apply to the New Shares in the same way it applies to existing fully paid ordinary shares in the Company.
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Part 2 - Pro rata issue

11	Is security holder approval required?	No
12	Is the issue renounceable or non-renounceable?	Non-renounceable
13	Ratio in which the +securities will be offered	19 New Shares for every 20 Shares held as at the record date
14	+Class of +securities to which the offer relates	Fully paid ordinary shares
15	+Record date to determine entitlements	7.00pm (Sydney Time), Monday, 11 November 2019
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	No
17	Policy for deciding entitlements in relation to fractions	Where fractions arise in the calculation of shareholder entitlements under the Entitlement Offer, they will be rounded up to the next number of New Shares.
18	Names of countries in which the entity has security holders who will not be sent new offer documents Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.	For the Institutional Entitlement Offer, all countries other than Australia, the Cayman Islands, Hong Kong, New Zealand, Singapore and the United Kingdom. For the Retail Entitlement Offer, all countries other than Australia and New Zealand.

+ See chapter 19 for defined terms.

19	Closing date for receipt of acceptances or renunciations	<p>The closing date for acceptances under the Institutional Entitlement Offer is Friday, 8 November 2019.</p> <p>The closing date for acceptances under the Retail Entitlement Offer is Wednesday, 27 November 2019.</p>
20	Names of any underwriters	N/A
21	Amount of any underwriting fee or commission	N/A
22	Names of any brokers to the issue	Canaccord Genuity (Australia) Limited (“ Canaccord ”) as lead manager and Barbon Advisors LLP (“ Barbon ”) as co manager.
23	Fee or commission payable to the broker to the issue	<p><u>Canaccord</u> An offer management fee of 1.5% of the Entitlement Offer proceeds.</p> <p><u>Barbon</u> A management fee of £40,000 plus 1.5% of entitlements subscribed under the Entitlement Offer by shareholders introduced to the company by Barbon, including RodDCO Property Holdings Limited. A further success fee of up to 5% of the total commitments obtained by Barbon in excess of existing shareholder's pro rata entitlements.</p>
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of security holders	N/A
25	If the issue is contingent on security holders' approval, the date of the meeting	N/A
26	Date entitlement and acceptance form and offer documents will be sent to persons entitled	No prospectus is being prepared in relation to the Entitlement Offer. A Retail Offer Booklet with a personalised entitlement and acceptance form is to be dispatched to eligible shareholders on or before Thursday, 14 November 2019.

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	N/A
28	Date rights trading will begin (if applicable)	N/A
29	Date rights trading will end (if applicable)	N/A
30	How do security holders sell their entitlements <i>in full</i> through a broker?	N/A
31	How do security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	N/A
32	How do security holders dispose of their entitlements (except by sale through a broker)?	N/A
33	⁺ Issue date	<p>The issue date for New Shares under the Institutional Entitlement Offer is Monday, 18 November 2019.</p> <p>The issue date for New Shares under the Retail Entitlement Offer is Wednesday, 4 December 2019.</p>

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)

⁺ See chapter 19 for defined terms.

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

- 35 If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders
- 36 If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories
1 - 1,000
1,001 - 5,000
5,001 - 10,000
10,001 - 100,000
100,001 and over
- 37 A copy of any trust deed for the additional +securities

Entities that have ticked box 34(b)

- 38 Number of +securities for which +quotation is sought

N/A

- 39 +Class of +securities for which quotation is sought

N/A

- 40 Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities?

If the additional +securities do not rank equally, please state:
 - 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

N/A

41	Reason for request for quotation now Example: In the case of restricted securities, end of restriction period (if issued upon conversion of another ⁺ security, clearly identify that other ⁺ security)	N/A
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		Number	⁺ Class
42	Number and ⁺ class of all ⁺ securities quoted on ASX (<i>including</i> the ⁺ securities in clause 38)	N/A	

⁺ 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:



(Company secretary)

Date: 7 November 2019

Print name: Marcin Swierkowski

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