

GAS2GRID Limited

ABN 46 112 138 780

OFFER DOCUMENT

NON-RENOUNCEABLE PRO RATA ENTITLEMENT OFFER

This is an offer to Eligible Shareholders to participate in a non-renounceable pro rata entitlement offer on the basis of one (1) New Share for every two (2) Shares held by Eligible Shareholders on the Record Date at an Issue Price of \$0.003 per New Share to raise up to approximately \$1,716,613 (before costs) (**Offer**).

The Offer opens on 7 May 2019 and closes at 5pm (Sydney time) on 27 May 2019 (unless it is lawfully extended). Valid Applications must be received before the Closing Date.

Applications can only be made by following the instructions on an Application Form that was attached to a paper copy of this Offer Document. The personalised Application Form sent to Eligible Shareholders sets out the Eligible Shareholder's Entitlement to participate in the Offer.

Important Information

This Offer Document is an important document and requires your attention. You should read the contents and instructions in this Offer Document and on the Application Form in their entirety. If you do not understand their contents or are in any doubt about how to deal with your Entitlements or the course you should follow, please consult your stockbroker, accountant, financial planner or other professional adviser without delay and before making an investment decision. The Shares offered under this document should be considered speculative.

CORPORATE DIRECTORY

Gas2Grid Limited

ABN 46 112 138 780

Directors

David A Munns (Chairman, Non-Executive Director)
Dennis J Morton (Managing Director)
Patrick W V M Sam Yue (Executive Director)

Company Secretary

Patrick W V M Sam Yue

Registered Office

Export House, Level 2, 18-22 Pitt Street
Sydney NSW 2000

T: +61 2 9251 0316

Email: office@gas2grid.com

Share Registry

Next Registries
Level 16, 1 Margaret Street
Sydney NSW 2000

PO Box H195

Australia Square NSW 1215

T: +61 2 9276 1700

F: +61 2 9251 7138

E: mail@nextregistries.com.au

ASX Code

Ordinary shares: GGX

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Key Dates

Proposed Timetable

Announcement date	29 April 2019
Notice of Offer sent to all Shareholders	30 April 2019
Ex-Date: the date on which Shares commence trading without entitlement to participate in the Offer	1 May 2019
Record Date (7pm Sydney time)	2 May 2019
Dispatch of Offer Document and Application Form to Eligible Shareholders	7 May 2019
Closing Date (5pm Sydney time)	27 May 2019
New Shares quoted on deferred settlement basis	28 May 2019
Shortfall Shares notification to ASX	30 May 2019
New Shares issued and allotted (deferred settlement ends)	3 June 2019
Normal trading in Shares commences	4 June 2019
Dispatch of holding statements	6 June 2019

This timetable is indicative only. The Company reserves the right to vary the dates and times of the Offer, without prior notice, and subject to compliance with the Listing Rules.

IMPORTANT NOTE

This Offer Document has been prepared by the Company and is dated 29 April 2019. This is an Offer Document for an offer of continuously quoted securities of the Company as defined by the Corporations Act and has been prepared in accordance with section 708AA of the Corporations Act and ASIC Instrument 2016/84. Section 708AA and ASIC Instrument 2016/84 relate to entitlement offers that do not require the issue of a prospectus or other disclosure document. Accordingly, this Offer Document is not a prospectus and the level of disclosure in this Offer Document is significantly less than that required in a prospectus. This Offer Document does not contain all of the information that an investor would find in a prospectus or other disclosure document or which may be required or expected by an investor in order to make an informed investment decision regarding, or about the rights attaching to, the New Shares. You should therefore rely on your own knowledge of the Company, refer to disclosures already made by it to ASX and, if you are in any doubt whether or not to take up the Offer, consult your legal, financial or other professional adviser before deciding whether to take up your Entitlement. This Offer Document has not been lodged with ASIC and neither ASIC nor ASX takes any responsibility for the contents of this Offer Document nor the merits of the investment to which this Offer Document relates.

The information contained in this Offer Document is in summary form and is not, and does not purport to be, complete. This Offer Document is not a recommendation or advice in relation to the

Company or investment in the New Shares.

You should carefully consider whether New Shares are an appropriate investment for you. There are significant risks associated with an investment in the Company. The New Shares to be issued under this Offer Document should be regarded as a speculative investment. The New Shares carry no guarantee whatsoever with respect to return on capital investment, payment of dividends or the future value of the New Shares. Share prices can fall as well as rise.

This Offer Document and the Application Form are important and you should read them in their entirety (including Section 6 - "Investment Risks") prior to making an investment decision. If you do not understand the documents or are in any doubt as to how to deal with your Entitlements, you should consult your professional adviser.

No person is authorised to give any information or make any representation in connection with the Offer which is not expressly contained in this Offer Document. Any information or representation not so contained may not be relied on by any person as having been authorised by the Company in connection with the Offer.

Applications for New Shares by Eligible Shareholders can only be made on an original Application Form sent together with this Offer Document. The Application Form sets out an Eligible Shareholder's Entitlement. By returning an Application Form or otherwise arranging for payment for your New Shares through BPAY®, you acknowledge that you have received and read this Offer Document, you have acted in accordance with the terms of the Offer detailed in this Offer Document and you agree to all of the terms and conditions as detailed in this Offer Document.

The distribution of this Offer Document in jurisdictions outside Australia and New Zealand may be restricted by law and persons who come into possession of this Offer Document should seek advice on, and observe the requirements of, these laws. Non-observance by such persons may violate securities laws. Any recipient of this Offer Document residing outside Australia and New Zealand should consult their professional advisers on requisite formalities. This Offer is not being extended and Shares will not be issued to Shareholders with a registered address which is outside Australia and New Zealand (**Ineligible Shareholders**). The Company will be sending to each Ineligible Shareholder details of the Offer and advice that the Company will not offer New Shares to that Shareholder.

Neither this Offer Document, the Application Form nor any other document released or distributed by the Company in connection with this Offer constitutes an offer or an invitation by or on behalf of the Company to subscribe for or purchase any New Shares in any place or jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer or invitation. No action has been taken to register or qualify this Offer Document in Australia or New Zealand or elsewhere or to otherwise permit a public offering of New Shares outside Australia and New Zealand. Shareholders in Australia or New Zealand holding Shares on behalf of overseas Shareholders are responsible for ensuring that taking up an Entitlement under the Offer does not breach regulations in the relevant overseas jurisdiction. Return of a duly completed Application Form will be taken by the Company to constitute a representation that there has been no breach of the applicable regulations.

This Offer Document and Entitlement and Application Form may not be released or distributed in the United States. This Offer Document does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States. Any securities described in this Offer Document have not been, and will not be, registered under the *US Securities Act of 1933* and may not be offered or sold in the United States except in transactions exempt from, or not subject to, registration under that act or any applicable US state securities laws.

Electronic Offer Document

The Offer Document is available in electronic form via the Company's website <http://www.gas2grid.com>. The electronic version of this Offer Document on the Company's website will not include an Application Form. Any person accessing the electronic version of the Offer Document must be an Australian or New Zealand resident and must only access the Offer Document from within Australia or New Zealand. The Corporations Act prohibits any person passing on to another person an Application Form unless it is attached to a hard copy of the Offer Document or accompanied by the complete and unaltered version of this Offer Document. Prospective applicants should read this Offer Document in its entirety before completing an Application Form. Any person may obtain a copy of this Offer Document free of charge by contacting the Company.

Risks

The New Shares offered under this Offer Document are considered speculative and an investment in the Company is not risk free. A non-exhaustive list of some of the key risk factors to an investment in the New Shares and the Company are described in Section 6 under the heading "Investment Risks", which the Directors strongly recommend all Applicants read in full before deciding whether to apply for New Shares pursuant to this Offer Document.

These key risks include:

- funding risk;
- exploration and development risk;
- operations risk;
- risk of foreign operations;
- environmental risk;
- taxation risk;
- general economic risk;
- share market risk; and
- insurance risk.

In addition to the above specific risks that relate directly to the Company, there are also other general risks, many of which are largely beyond the control of the Company and its Directors, that investors should consider and which may also have a material impact on the financial position and prospects of the Company, and the market price of the New Shares issued pursuant to this Offer Document.

No Forecasts

Some statements in this Offer Document are in the nature of forward looking statements, including statements of current intention, statements of opinion and predictions as to possible future events.

Forward looking-statements may be identified by words such as "aim", "intend", "should", "expect", "estimate", "likely", "believe", "anticipate", "planned" and similar expressions.

Such statements are not statements of fact and there can be no assurance or certainty of outcome in relation to the matters to which the statements relate. Forward-looking statements are based on an assessment of present economic and operating conditions and are only predictions based on a number of assumptions regarding future events and actions that are expected to take place, and are subject to inherent risks and uncertainties. Past performance is not necessarily an indication of future performance. Actual events or results may differ materially from the events or results expressed as implied in any forward looking statement. Such statements are not guarantees of future performance or representations of future matters and involve known and unknown risks, uncertainties, assumptions and other factors, many of which are beyond the control of the Company, the Directors and management. The estimates and projections contained in this Offer Document involve significant elements of subjective judgment and analysis, which may or may not be correct when considered with hindsight against the background of actual events. You are cautioned not to place undue reliance on any forward looking statement. You should make your own independent review of the relevant assumptions, calculations and circumstances upon which the forward looking statements, estimates and projections are based. The forward looking statements in this Offer Document reflect views held only as at the date of this Offer Document and the Company assumes no obligation to update such information or publish any further prospective information in the future, regardless of whether new information, future events or any other factors affect the information contained in this Offer Document, except where required by law.

Disclaimers

No representation or warranty, express or implied, is made by any person in relation to the fairness, accuracy, completeness or reliability of all or part of this Offer Document, or any constituent or associated presentation, information or material, or the accuracy, likelihood of achievement or reasonableness of any forecasts, prospects or returns contained in, or implied by, the information or any part of it. The information in this Offer Document may include information derived from third party sources that has not been independently verified.

Without limiting anything else in this Offer Document, to the maximum extent permitted by law, the Company, its subsidiaries, and their respective partners, directors, officers, employees, agents and advisers disclaim all liability and responsibility for any direct or indirect loss or damage which may be suffered by any recipient through the use or reliance on anything contained in or omitted from this Offer Document, including without limitation, any liability arising from fault or negligence on the part of the Company or its subsidiaries, directors, partners, officers, employees and advisers.

The information in this Offer Document remains subject to change without notice. No person is under any obligation to provide any recipient of this Offer Document with any access to any additional information, or to notify any recipient or any other person of any other matter arising or coming to its notice after the date of the presentation.

Privacy

The Company (and the Share Registry on its behalf) collects, holds and uses personal information of security holders in order to service their needs as security holders, provide facilities and services that they request or that are connected with their interests in Shares and carry out appropriate administration.

The information may also be used from time to time and disclosed to persons inspecting the securities register, bidders for the securities in the context of takeovers, regulatory bodies, including the Australian Taxation Office, authorised securities brokers, print service providers and mail houses.

A security holder may request access, correct and update his or her personal information held by the Company or the Share Registry, by contacting the Company Secretary.

Collection, maintenance and disclosure of certain personal information is governed by legislation including the *Privacy Act 1988* (Commonwealth) (as amended), the Corporations Act and certain rules such as the ASX Settlement Operating Rules of ASX.

LETTER FROM THE CHAIRMAN

Dear Shareholder,

On behalf of the Directors, it is my pleasure to invite you to subscribe for New Shares in the Company at an Issue Price of \$0.003 per New Share under a non-renounceable pro rata offer on the basis of one (1) New Share for every two (2) Shares that you hold on the Record Date to raise approximately \$1,716,613.

Eligible Shareholders may also apply for New Shares in excess of their Entitlement (Additional New Shares), with such oversubscriptions to be satisfied from Entitlements that were not taken up by other Shareholders under the Offer.

The money raised from the Offer will be applied to deepening the existing Nuevo Malolos-1 well targeting two oil bearing sandstones at the Malolos oil field within the Service Contract 44 in Philippines and costs related to this Offer. The drilling, to be carried out by the Company owned Rig-2 which is located near the well site, is planned to commence soon after this capital raising is concluded while preparations, which have already started, will continue during the Offer period.

The Offer presents an opportunity to Eligible Shareholders to increase their investment in and to support the Company at a time when it is commencing an exciting phase of appraisal exploration within Service Contract 44 and if successful can deliver a licence for 20 years to produce and sell crude oil.

Please carefully read the terms and conditions contained in this Offer Document before deciding whether to take up your Entitlement. If you are in any doubt as to whether to take up your Entitlement or the effect of taking up your Entitlement may have on you, please consult your financial or other professional adviser.

Yours sincerely

A handwritten signature in black ink, appearing to read 'D. A. Munns', followed by a horizontal line.

David A Munns
Chairman

29 April 2019

1. PURPOSE OF THE OFFER

The Company proposes to raise up to approximately \$1,716,613 by the issue of approximately 572,204,538 New Shares, subject to rounding, pursuant to this Offer Document.

The purpose of the Offer is to fund exploration expenditure in Service Contract 44 and costs related to this Offer.

1.1 Background

The Company invests in exploration areas in Philippines and France.

Exploration in Philippines

The Company has held Service Contract 44 since 2005 and has carried out exploration that resulted in a declaration of oil discovery at the Malolos oil field by the Philippines Department of Energy in 2014. Following the expiry of a technical moratorium in January 2017, the Company sought an extension of tenure before investing further in appraisal exploration in the Malolos oil field. In October 2018, the Philippines Department of Energy confirmed the extension of Service Contract 44 for two years to September 2020 issued under Presidential Decree 87, which addresses the need to fast track oil and gas exploration/development in the Philippines. The extension requires a minimum US\$1.175 million be spent by end of July 2019 on deepening, completing and testing oil from Neuvo Malolos-1 as was proposed by the Company and pre-approved by the Philippines Department of Energy. However, the Company plans to invest in excess of that minimum for the well deepening.

Exploration Permit in France

In 2008, the Company was granted the St Griede permit located within the Aquitaine Basin in France. After carrying out exploration the permit was due for its first renewal in May 2013 after an initial 5 year term. With the terms and conditions of the work and expenditure commitments having been met for the first 5 year term, a renewal application for a second 5 year term was submitted in January 2013 in order to continue the work program towards the drilling of a well.

In September 2015, the French Government unlawfully refused the renewal of the St Griede permit. As the decision was not made on legal grounds, the Company took legal action against the French Government with the courts in France supporting the Company, confirming that the refusal to renew the permit was unlawful. In March 2019, the Appeal Court directed the Ministers to reconsider the request for an extension of the St Griede permit for a second 5 year period and to make a decision by 5 May 2019, with a penalty of €1,000 for each day of delay. The Ministers have a right to further appeal to the Conseil D'Etat by 5 May 2019.

In April 2019, the Company advised the French Ministers that in light of the actions and legal processes that the Company has had to undertake in the last 6 years to avail itself of its legal rights to renew the St Griede permit, and the consequent capital market perception of the significant sovereign risks in France for oil and gas explorers, the Company is compelled to renounce its rights for the renewal of the permit.

1.2 Steps forward

The Company has commenced planning the deepening of Neuvo Malolos-1 utilising the Company owned Rig-2. That Rig-2 is being moved from its current location that is approximately 20 metres

from the Nuevo Malolos-1 site. As soon as the Rig-2 has been located at the well head of Nuevo Malolos-1 and sufficient funds under this Offer have been raised, drilling will commence targeting two oil bearing sandstones.

At this stage, the Company does not anticipate that significant funds will be needed for the dispute with the French Government with regards to the St Griede permit.

1.3 Use of funds

The proposed use of funds raised from the Offer is as follows:

	\$	\$
	80% Subscription	Full Subscription
Cash at Bank (at 31 March 2019)	611,828	611,828
Proceeds of Offer	1,375,000	1,716,613
Total Cash	1,986,828	2,328,441
Deepening of Nuevo Malolos-1	1,935,000	1,935,000
Expenses of the Offer	20,000	20,000
Total expenditure	1,955,000	1,955,000

The Company needs to raise at least \$1,375,000 under the Offer (before costs) in order to proceed with its proposed work on Nuevo Malolos-1. If less than \$1,375,000 (before costs) is raised at the close of the Offer, the amount received will be added to existing working capital while the drilling is put on hold until additional adequate funds have been raised including by the placement of all the Shortfall Shares under to section 2.5.

The Company has an undrawn balance of \$603,000 available under loan facilities provided by the Directors and their related entities, for working capital purposes. This line of credit is not available to the Company for the purposes of deepening the Nuevo Malolos-1 well.

Please refer to the risks in Section 6, particularly relating to funding risks.

2. DETAILS OF THE OFFER

The details of the Offer are as follows.

2.1 Offer Ratio and Price

For every two (2) Shares held on the Record Date, an Eligible Shareholder is offered one (1) New Share at an Issue Price of \$0.003 per New Share.

2.2 Record Date

The Record Date for the Offer is 7pm (Sydney time) on 2 May 2019.

2.3 Eligible Shareholders

Eligible Shareholders are those holders of Shares who:

- are registered as a holder of Shares as at the Record Date;
- have a registered address in Australia or New Zealand; and
- are not located in the United States and are not acting for the account or benefit of a person in the United States.

If you are a Shareholder who does not satisfy each of the criteria listed above, you are deemed an Ineligible Shareholder. Refer to Section 2.7 for more information regarding the Offer and Ineligible Shareholders.

By returning a completed Application Form or making a payment by BPAY®, you will be taken to have represented and warranted that you satisfy each of the criteria listed above. Eligible Shareholders who are nominees, trustees or custodians are therefore advised to seek independent professional advice as to how to proceed.

2.4 Additional New Shares

Eligible Shareholders that have fully subscribed for their Entitlements under the Offer will be able to subscribe for additional New Shares (**Additional New Shares**). Additional New Shares will be sourced from Entitlements that were not taken up under the Offer.

Eligible Shareholders can subscribe for Additional New Shares by completing the relevant part of the Application Form, or through BPAY®.

There is no guarantee that those Eligible Shareholders will receive the number of Additional New Shares applied for, or any. The number of Additional New Shares will not exceed the shortfall from the Offer. The Board reserves the right to allot and issue Additional New Shares to Eligible Shareholders in their absolute discretion.

2.5 Placement of Shortfall Shares

To the extent that any Shortfall Shares remain at the Closing Date, the Board reserves the right to place any Shortfall Shares at their discretion within three months after the Closing Date.

2.6 Entitlements and Application

Details of how to make an Application under the Offer are set in Section 3. The Entitlement of Eligible Shareholders to participate in the Offer will be determined on the Record Date and set out on the Application Form accompanying the paper copy of this Offer Document mailed to Eligible Shareholders. The Directors reserve the right to reject any Application that they believe is submitted by or on behalf of a person who is not an Eligible Shareholder.

2.7 Ineligible Shareholders

The Offer of New Shares under this Offer Document does not, and is not intended to, constitute an offer in any place or jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer or to issue this Offer Document. The Company has decided not to make the Offer to Shareholders who do not have a registered address in Australia or New Zealand (**Ineligible Shareholder**), having regard to each of the following:

- the number of Ineligible Shareholders in each jurisdiction where the Offer would be made;
- the number and value of New Shares that the Ineligible Shareholders would be offered; and
- the cost of complying with the legal requirements and requirements of a regulatory authority in each jurisdiction of the Ineligible Shareholders.

Accordingly, the Offer is not being extended, and New Shares will not be issued, to Ineligible Shareholders. The Company will be sending to each Ineligible Shareholder details of the Offer and advise that the Company will not offer New Shares to that Shareholder.

This Offer Document is sent to Shareholders with registered addresses outside Australia and New Zealand for information purposes only.

The New Shares calculated at the offer ratio based on Shares held at the Record Date by Ineligible Shareholders will first be issued to Eligible Shareholders as any Additional New Shares subscribed for, and any remaining New Shares will form part of the Shortfall Shares.

2.8 Non-renounceable offer

The Entitlement to New Shares is non-renounceable. Accordingly, there will be no trading of Entitlements on the ASX and you may not dispose of your Entitlements to subscribe for New Shares under the Offer to any other party.

Any portion of an Eligible Shareholder's Entitlements that are not exercised will lapse and the New Shares (the subject of those Entitlements) will first be issued to Eligible Shareholders as any Additional New Shares subscribed for, and any remaining New Shares will form part of the Shortfall Shares.

2.9 Underwriting

The Offer is not underwritten.

2.10 Fractional entitlements

Fractional Entitlements to New Shares will be rounded down to the nearest whole number.

2.11 Rights on issue of New Shares

The New Shares offered pursuant to this Offer Document will have the same rights as the Company's fully paid ordinary Shares, and will rank equally with those Shares on issue as at the date of this Offer Document. The rights attaching to Shares are set out in the Company's Constitution, a copy of which can be obtained from the Company on request.

2.12 No minimum subscription

There is no minimum subscription for the Offer.

2.13 Allotment of New Shares

It is expected that New Shares will be allotted and issued no later than 3 June 2019 with dispatch of holding statements expected to occur on 6 June 2019.

A holding statement for the purposes of CHESS for the New Shares will be mailed, at the risk of the Applicant, by ordinary post to the address appearing on the completed Application Form.

2.14 Expenses of the Offer

The estimated expenses which are payable by the Company for legal fees, registry, printing and other costs incurred in preparing and distributing this Offer Document in respect of the Offer are estimated to be approximately \$20,000.

2.15 Quotation of New Shares

The Company will make application to ASX for quotation of the New Shares on the date of this Offer Document.

If ASX does not grant quotation of the New Shares offered pursuant to this Offer Document before the expiration of three months after the date of this Offer Document (or such period as varied by ASIC), the Company will not issue any New Shares and will repay all Application Monies within the time prescribed under the Corporations Act, without interest.

The fact that ASX may grant quotation of the New Shares offered pursuant to this Offer Document is not to be taken in any way as an indication of the merits of the Company or the New Shares.

2.16 Taxation implications

The Directors do not consider it appropriate to give Shareholders advice regarding the taxation consequences of subscribing for New Shares. The Company, its advisers and its officers do not accept any responsibility or liability for any such taxation consequences to Shareholders.

Shareholders should consult their professional tax adviser in connection with subscribing for New Shares under this Offer Document.

2.17 Enquiries

Enquiries regarding this Offer Document should be directed to the Company Secretary or Directors on 02 9251 0316 or via email to office@gas2grid.com.

3. HOW TO ACCEPT THE OFFER

The Offer can be accepted either by completing an Application Form and sending it to the Company or Share Registry with accompanying cheque, or by making a payment through BPAY®.

By completing, and the Share Registry or the Company receiving, your personalised Application Form with the requisite Application Monies or making a payment by BPAY®, you:

- agree to be bound by the terms of this Offer Document and the provisions of the Company's Constitution;
- authorise the Company to register you as the holder(s) of the New Shares allotted to you;
- declare that all details and statements made in the Application Form are complete and accurate;
- acknowledge that the Offer Document is not investment advice and does not constitute a recommendation that you subscribe for New Shares;
- declare that you have full legal capacity to subscribe for New Shares;
- acknowledge that once the Company receives the Application Form or your payment by BPAY® (as applicable), you may not withdraw it except as allowed by law;
- agree to apply for, and be issued with up to, the number of New Shares that you apply for at the Issue Price per New Share;
- authorise the Company and its officers or agents to do anything on your behalf necessary for the New Shares to be issued to you;
- represent and warrant that you are an Eligible Shareholder; and
- have read and understood this Offer Document and the Application Form and that you acknowledge the matters, and make the warranties and representations and agreements contained in this Offer Document and the Application Form.

3.1 Payment by BPAY®

For payment by BPAY® please follow the instructions on the Application Form. You can only make a payment via BPAY® if you are the holder of an account with an Australian financial institution that supports BPAY® transactions.

Please note that should you choose to pay by BPAY®:

- you do not need to submit the Application Form but are taken to make the declarations on that Application Form; and
- you are deemed to have applied for such whole number of New Shares which is covered in full by your Application Monies, whether that number is less than or equal to your Entitlement.

When paying by BPAY® please make sure you use the specific Biller Code and your unique customer reference number (CRN) which can be found on the front of your personalised Application Form.

It is your responsibility to ensure that your BPAY® payment is received by the Share Registry by no later than 5pm (Sydney time) on the Closing Date. You should be aware that your financial institution may implement earlier cut-off times with regards to electronic payment, and you should therefore take this into consideration when making payment.

Any Application Monies received for more than your entitlement of New Shares will be refunded as soon as practicable after the Closing Date. No interest will be paid on any Application Monies received or refunded.

3.2 Payment by cheque

For payment by cheque, you should complete your Application Form in accordance with the instructions on the Application Form and return it to the Share Registry accompanied by a cheque in Australian currency for the amount of the Application Monies payable to "**Gas2Grid Limited – Rights Issue A/C**" and crossed "Not Negotiable".

Your cheque must be:

- for an amount equal to the Issue Price multiplied by the number of New Shares that you are applying for; and
- in Australian currency drawn on an Australian branch of a financial institution.

If the amount of your cheque for Application Monies (or the amount of which the cheque clears in time for allocation) is insufficient to pay in full for the number of New Shares you have applied for in your Application Form, you will be taken to have applied for such number of New Shares (rounded down to the nearest whole number) as your cleared Application Monies will pay for (and to have specified that number of New Shares on your Application Form). Alternatively, your Application will not be accepted.

Any Application Monies received for more than your final allocation of New Shares will be refunded as soon as practicable after the Closing Date. No interest will be paid on any Application Monies received or refunded.

Your completed Application Form and cheque must reach the Company's Share Registry at the address set out on the Application Form and be cleared by no later than 5pm (Sydney time) on the Closing Date. It is your responsibility to ensure that your cheque clears by that time. You should be aware that financial institutions may have different lead times for the clearing of cheques and you should therefore take this into consideration when making payment.

3.3 Application Form is binding

You will not have any right to withdraw your Application for New Shares or to be repaid any amount once your Application has been accepted. Even if an Application has not been completed or submitted correctly it may still be treated as a valid Application for New Shares. The Directors' decision whether to treat the Application as valid, and how to construe, amend or complete the Application Form is final. However, an Applicant will not be treated as having applied for more New Shares than is indicated by the amount of the cheque for Application Monies.

Applications must be lodged on or before 5pm (Sydney time) on the Closing Date. The Directors generally reserve the right to vary the Closing Date for Applications without prior notice, subject to compliance with the Listing Rules.

The Directors recommend that completed Application Forms be posted promptly to minimise any risk of being delayed in the mail.

All Application Forms must be lodged at the following address of the Share Registry:

By Hand:
Gas2Grid Limited
C/- Next Registries
Level 16, 1 Margaret Street NSW 2000

By Post:
Gas2Grid Limited
C/- Next Registries
PO Box H195, Australia Square NSW 1215

3.4 If you do nothing with your Entitlements

If you choose not to do anything with your Entitlements, you will not be allocated any New Shares and your Entitlements will lapse and any associated New Shares may be issued to Eligible Shareholders who have applied for Additional New Shares, or otherwise form part of the Shortfall Shares. Eligible Shareholders who do not take up their Entitlements in full will not receive any payment or value for those Entitlements they do not take up. Further, Eligible Shareholders who do not take up some or all of the Entitlements will have their shareholding in the Company diluted.

4. EFFECT OF THE OFFER

4.1 Capital Structure

The following tables set out the expected securities of the Company on issue, based on:

- the capital structure of the Company as at the date of this Offer Document; and
- the completion of the Offer, assuming it is fully subscribed.

Shares	Number
Shares on issue at the date of this Offer Document	1,144,409,076
New Shares to be issued under this Offer Document (subject to rounding)	572,204,538
Total Shares on issue (notional expanded capital, subject to rounding)	1,716,613,614

4.2 Effect of Offer on Voting Power in the Company

As at the date of this Offer Document, there are four (4) substantial Shareholders of the Company:

- Dennis J Morton, Managing Director;
- Patrick W V M Sam Yue, Executive Director;
- David A Munns, Chairman; and
- Darren W Reeder.

The following tables set out the possible effects of the Offer on the Voting Power of those substantial shareholders, depending on whether or not they take up their Entitlements under the Offer. Each table provides for completion of the Offer under 3 scenarios regarding the level of Shortfall Amount. In each instance, the number of actual New Shares issued is subject to rounding for fractional entitlements.

Table 1 – DJ Morton takes up full Entitlements								
Voting Power	Current		100% Shortfall		50% Shortfall		No Shortfall	
	Shares	Voting Power %	Shares	Voting Power %	Shares	Voting Power %	Shares	Voting Power %
DJ Morton and associates	180,288,187	15.75	241,030,222	20.00	270,432,281	18.33	270,432,281	15.75
PWVM Sam Yue and associates	129,590,999	11.32	129,590,999	10.75	161,988,749	10.98	194,386,499	11.32
DA Munns and associates	60,762,973	5.31	60,762,973	5.04	60,762,973	4.12	60,762,973	3.54
DW Reeder	59,772,618	5.22	59,772,618	4.96	74,715,773	5.06	89,658,927	5.22
Remaining Shareholders	713,994,299	62.39	713,994,299	59.25	907,683,617	61.51	1,101,372,935	64.16
Total	1,144,409,076	100.00	1,205,151,111	100.00	1,475,583,392	100.00	1,716,613,614	100.00

Table 2 – PWVM Sam Yue takes up full Entitlements								
Voting Power	Current		100% Shortfall		50% Shortfall		No Shortfall	
	Shares	Voting Power %	Shares	Voting Power %	Shares	Voting Power %	Shares	Voting Power %
DJ Morton and associates	180,288,187	15.75	180,288,187	14.96	225,360,234	15.27	270,432,281	15.75
PWVM Sam Yue and associates	129,590,999	11.32	194,386,499	16.13	194,386,499	13.17	194,386,499	11.32
DA Munns and associates	60,762,973	5.31	60,762,973	5.04	60,762,973	4.12	60,762,973	3.54
DW Reeder	59,772,618	5.22	59,772,618	4.96	74,715,773	5.06	89,658,927	5.22
Remaining Shareholders	713,994,299	62.39	713,994,299	59.25	907,683,617	61.51	1,101,372,935	64.16
Total	1,144,409,076	100.00	1,209,204,576	100.34	1,462,909,095	99.14	1,716,613,614	100.00

Table 3 – Top four Shareholders take up their Entitlements								
Voting Power	Current		100% Shortfall		50% Shortfall		No Shortfall	
	Shares	Voting Power %	Shares	Voting Power %	Shares	Voting Power %	Shares	Voting Power %
DJ Morton and associates	180,288,187	15.75	264,700,674	20.00	270,432,281	17.76	270,432,281	15.75
PWVM Sam Yue and associates	129,590,999	11.32	194,386,499	14.69	194,386,499	12.76	194,386,499	11.32
DA Munns and associates	60,762,973	5.31	60,762,973	4.59	60,762,973	3.99	60,762,973	3.54
DW Reeder	59,772,618	5.22	89,658,927	6.77	89,658,927	5.89	89,658,927	5.22
Remaining Shareholders	713,994,299	62.39	713,994,299	53.95	907,683,617	59.60	1,101,372,935	64.16
Total	1,144,409,076	100.00	1,323,503,372	100.00	1,522,924,296	100.00	1,716,613,614	100.00

Notes

- 1 DJ Morton has indicated that he and his associates will take up some, but not all of their Entitlements under the Offer, subject to their financial position at the time. In any event, DJ Morton and his associates will not take up any Entitlements which would result in their Voting Power increasing above 20%.
- 2 PWVM Sam Yue has indicated that he and his associates will take up some, but not all of their Entitlements under the Offer, subject to their financial position at the time.
- 3 DA Munns and his associates are Ineligible Shareholders and therefore have no Entitlement under the Offer. DA Munns has indicated that he and his associates would not take up any of their Entitlements if they became Eligible Shareholders.
- 4 Whilst Table 3 assumes that DW Reeder takes up his full Entitlements under the Offer, the Company is not aware of the intentions of DW Reeder with respect to his Entitlements.

4.3 Financial position

The Company's cash position at 31 March 2019 was \$611,828.

On close of the Offer, the Company's pro forma cash position will increase to \$2,308,441 (based on the cash balance as at 31 March 2019 above, and after deducting the expected costs of the Offer).

The table on the following page shows:

- the pro forma balance sheet based on the unaudited figures as at 31 March 2019; and
- the adjustment to be made as a result of the Offer as fully subscribed.

	Balance Sheet 31 March 2019 \$	Net Offer Proceeds \$	Balance Sheet Pro Forma \$
ASSETS			
Current assets			
Cash and cash equivalents	611,828	1,696,613	2,308,441
Trade and other receivables	11,830	-	11,830
Total current assets	623,658	1,696,613	2,320,271
Non-current assets			
Exploration and evaluation expenditure	95,974	-	95,974
Plant and equipment	993	-	993
Total non-current assets	96,967	-	96,967
Total assets	720,625	1,696,613	2,417,238
LIABILITIES			
Current liabilities			
Trade and other payables	40,845	-	40,845
Provisions	1,706	-	1,706
Total current liabilities	42,551	-	42,551
Non-current liabilities			
Trade and other payables	1,998,493	-	1,998,493
Borrowings	8,097,323	-	8,097,323
Total non-current liabilities	10,095,816	-	10,095,816
Total liabilities	10,138,367	-	10,138,367
NET ASSETS	(9,417,742)	1,696,613	(7,721,129)
EQUITY			
Contributed equity	32,101,943	1,696,613	33,798,556
Reserves	319,800	-	319,800
Accumulated losses	(41,839,485)	-	(41,839,485)
Total equity	(9,417,742)	1,696,613	(7,721,129)

The pro-forma Statement of Financial Position has been prepared on the basis of the Company's unaudited financial statements as at 31 March 2019 and on the basis of the following transactions and adjustments having occurred on or about that date:

- the issue of 572,204,538 New Shares, pursuant to this Offer Document, issued at the Issue Price of \$0.003 per New Share, raising gross proceeds of approximately \$1,716,613; and
- The estimated costs of the Offer of \$20,000 are paid.

This information is presented on the basis that there have been no material movements in the assets and liabilities of the Company between 31 March 2019 and the close of the Offer.

5. COMPANY'S SHARE PRICE ON ASX

The last sale price of Shares on ASX on 26 April 2019 (being the last trading day before the date of this Offer Document of 29 April 2019) was \$0.004.

The highest and lowest market sale prices of Shares on ASX during the three months immediately preceding 29 April 2019 were:

Highest: \$0.005 on 4 and 6 February 2019.

Lowest: \$0.003 on 29 January 2019, 12 and 20 February 2019, 18 March 2019 and 16 April 2019.

6. INVESTMENT RISKS

Prospective investors should be aware that the value of the Company's securities on ASX may be influenced by many unpredictable factors and may rise and fall depending on factors beyond the control of the Company. Shareholders taking up their Entitlements under the Offer should be aware that the New Shares carry no guarantee with respect to the payment of dividends, the return of capital or price at which those New Shares will trade.

The Company's business is in an appraisal stage of oil and gas exploration at the Malolos oil field within Service Contract 44 in the Philippines. Any profitability in the future from the Company's business may be dependent upon the successful appraisal and exploration, development, production and marketing of oil and gas from the Company's Service Contract 44.

The Company is involved in a dispute in the French courts with the French Government on its refusal to renew the St Griede permit in the Aquitaine Basin in France. Any recovery in the future from the Company's investments in that permit is uncertain. Although the Appeal Court of Bordeaux following an appeal by the Ministers on previous courts' decisions has in March 2019 directed the French Ministers to reconsider their decision on the renewal of that permit, the Company has advised the Ministers in April 2019 that it is compelled to renounce its rights for the renewal of the permit in light of the actions and legal processes that the Company has had to undertake in the last 6 years, and capital market perception of the sovereign risks faced by explorers in France.

The New Shares being offered under this Offer Document are considered speculative due to the present stage of development of the Company and the risks inherent in oil and gas exploration in foreign jurisdictions. While some of the risks can be minimised by the use of safeguards and appropriate systems, some are outside the control of the Company.

The principal risk factors applicable to the business of the Company include but are not limited to the following.

Funding risk

The purpose of the Offer is to fund the deepening of an existing well, Nuevo Malolos-1 in the Malolos oil field within Service Contract 44 in the Philippines, based on budget costs. There are risks that the Company will not be able to raise adequate funds under the Offer, or that actual costs exceed the budget and that further funds may have to be raised in future to complete, or even commence, the planned programme.

The exploration and development programme, and the development of the Company generally, is dependent on the Company successfully raising the necessary capital from investors or alternative debt or farmin funding arrangements. There is no guarantee that the Company will be able to raise sufficient money to finance its planned exploration and development programme, or if it is able to raise sufficient money, on favourable terms. If the Company is not able to raise sufficient money, then it may have to sell some or all of its assets to fund its outstanding liabilities.

Exploration and development risk

The business of oil and gas exploration, development and production, by its nature, contains elements of significant risk with no guarantee of success. Ultimate and continuous success of these activities is dependent on many factors such as:

- the discovery and/or acquisition of economically recoverable reserves;

- access to adequate capital for project development;
- design and construction of efficient development, production, transportation and storage infrastructure within capital expenditure budgets;
- securing and maintaining title to interests;
- obtaining consents and approvals necessary for the conduct of oil and gas exploration, development and production; and
- access to competent operational management and prudent financial administration, including the availability and reliability of appropriately skilled and experienced employees, contractors and consultants.

Whether or not income will result from projects undergoing exploration, appraisal and development programs depends on successful exploration and establishment of production facilities. Factors including costs, recoverable reserves, reservoirs, oil and/or gas flow rates in commercial and sustainable volume, migration of fines to the well bore hindering continuous and sustainable flow of oil, damages to the well bore, availability of equipment, any accidental loss of tools in the well bore and oil and gas prices affect successful project development and operations.

Licence Work Commitments Performance

Under the exploration licences and certain other contractual agreements to which the Company is or may in the future become party, the Company is or may become subject to payment and other obligations. In particular, the licence area holders are required to expend the funds necessary to meet the minimum work commitments attaching to the exploration licences, and in the case of Service Contract 44, the Company must expend a minimum of US\$1.175 million to undertake drilling of the Nuevo Malolos-1 well by end July 2019. Failure to meet these minimum work commitments or be granted extension of time may render the licence area liable to be cancelled.

Environmental impact constraints

The Company's operations are subject to the environmental risks inherent in the oil and gas industry. The Company's exploration, appraisal and development programmes are, in general, subject to approval by government authorities before it can undertake activities which are likely to impact the environment. Failure to obtain such approvals will prevent the Company from undertaking the desired activities.

Exploration and development of any of the Company's licence areas is also dependent on meeting planning and environmental laws and guidelines. Although the Company believes that it is in compliance in all material respects with all applicable environmental laws and regulations, there are certain risks inherent to its activities that could subject the Company to extensive liability. The Company is unable to predict the effect of additional environmental laws and regulations (such as laws and regulations designed to address climate change) which may be adopted in the future, including whether any such laws or regulations would materially increase the Company's cost of doing business or affect its operations in any area. However, there can be no assurances that new environmental laws, regulations or stricter enforcement policies, once implemented, will not oblige the Company to incur significant expenses and undertake significant investments in such respect which could have a material adverse effect on the Company's business, financial condition and results of production operations.

Risk of Foreign Operations

The Company operates and invests in the Philippines and France where there may be a number of associated risks over which it will have no or limited control. These may include economic, social, or political instability or change, nationalisation, expropriation of property without fair compensation, cancellation or modification of contract rights, hyperinflation, currency non-convertibility or instability, and changes of laws affecting foreign ownership, government participation, royalties, taxation, working conditions, foreign nationals work permits, rates of exchange, exchange control, exploration licensing, export licensing, export duties, government control over product pricing, and other risks arising out of foreign governmental sovereignty over the areas in which the Company's operations are conducted, as well as risks of loss due to civil strife, acts of war, terrorism, guerrilla activities and insurrections.

The Company's operations may also be adversely affected by laws and policies of Australia affecting foreign trade, taxation and investment. In the event of a dispute arising in connection with its operations the Company may be subject to the exclusive jurisdiction of foreign courts or may not be successful in subjecting foreign persons to the jurisdiction of courts in Australia or enforcing Australian judgements in foreign jurisdictions.

Volatility of Prices of Oil and Gas

The demand for, and price of, oil and gas is highly dependent on a variety of factors, including international supply and demand, the level of consumer product demand, actions taken by the governments and major oil and gas corporations and global economic and political developments. International prices of oil and gas fluctuate and at times the fluctuations can be quite wide. If the Company is able to develop its oil and gas assets to a production stage, then fluctuations in the prices of oil and gas could have a significant impact on the economic viability of its assets, and the cash flow of the Company generally.

Taxation

The Company, its advisers and officers do not accept any responsibility or liability for any taxation consequences to holders of New Shares. It is solely the responsibility of individual Shareholders to inform themselves of their taxation position resulting from the investment in New Shares under this Offer Document.

Taxation obligations can vary depending on the circumstances of each individual Shareholder, the particular circumstances relating to his or her holdings of securities, and the taxation laws applicable to Shareholders as residents of different jurisdictions.

The acquisition and disposal of New Shares may have taxation consequences which will differ depending on the specific financial and personal circumstances of each Shareholder. Shareholders should consult their own professional advisers on the taxation implications of investing in the New Shares as it relates to them.

Changes in taxation law and its application may adversely affect the operations and business of the Company.

General economic climate

The Company's future revenues and operating costs can be affected by such factors as supply and demand for goods and services, industrial disruption, interest rates, currency fluctuation, inflation

and global economic conditions or events. Accordingly, the future profitability of the Company and Share prices may be affected by these factors. These factors are beyond the control of the Company.

Share market

The market price of Shares may be subject to general movements in local and international stock exchanges, economic conditions, currency fluctuations and interest rates. The New Shares may trade at a price above or below the issue price depending on a range of factors including the performance of the market generally; the performance of the oil and gas sector of the market; national and international economic performance; market perceptions of the Company; and the degree of success in the Company's exploration endeavours; and the financial performance of the Company.

Insurance

The Company maintains insurance within ranges of coverage that it believes to be consistent with industry practice and having regard to the nature of activities being conducted. The occurrence of an event that is not covered or fully covered by insurance could have a material adverse effect on the business, financial condition and results of the Company.

7. ADDITIONAL INFORMATION

7.1 Litigation

As set out in section 1.1, the Company is in a legal dispute in the courts in France against the French Government for refusing the Company's renewal application of the St Griede permit. The Company is not involved in any other litigation.

7.2 Directors' interest

The aggregate number of securities of the Company held directly, indirectly or beneficially by the current Directors or their related entities at the date of this Offer Document are:

Directors	Number of Shares
DA Munns	60,762,973
DJ Morton	180,288,187
PWVM Sam Yue	129,590,999
Total	370,642,159

Remuneration of the Directors is disclosed in the annual report of the Company.

The table below sets out the number of Shares that will be held by Directors (whether directly, indirectly or beneficially) after completion of the Offer, on the basis that each Director takes up his Entitlement:

Directors	Number of Shares
DA Munns	60,762,973
DJ Morton	270,432,280
PWVM Sam Yue	194,386,498
Total	525,581,751

As stated in the notes to the control tables in section 4.2, DJ Morton and PWVM Sam Yue have indicated that they will each take up some, but not necessarily all of their Entitlements. In any event, DJ Morton will take up his Entitlements to the extent that the Voting Power of him and his associates in the Company will not increase above 20%.

7.3 Governing Law

This Offer Document, the Offer, and the contracts formed on acceptance of the Application Forms are governed by the laws of the State of New South Wales, Australia. Each person that applies for New Shares submits to the exclusive jurisdiction of the Courts of the State of New South Wales, Australia and the Courts of appeal from them.

8. GLOSSARY OF TERMS

Additional New Shares	New Shares Eligible Shareholders apply for in excess of their Entitlement
Applicant	an applicant for New Shares who duly completes an Application Form and pays the applicable Application Monies
Application	an application for New Shares pursuant to the Offer made on an Application Form or deemed to be made through the payment of the relevant Application Monies in accordance with terms of the Application Form
Application Form	an application form accompanying a paper copy of this Offer Document, pursuant to which Eligible Shareholders may apply for New Shares pursuant to the Offer
Application Monies	the Issue Price multiplied by the number of New Shares for which an Applicant has applied
ASIC	Australian Securities and Investments Commission
ASIC Instrument 2016/84	ASIC Corporations (Non-Traditional Rights Issues) Instrument 2016/84
ASX	ASX Limited ABN 98 008 624 691 (also known as Australian Securities Exchange), or the securities exchange operated by it, as the context requires
Board	the Board of Directors of the Company
Closing Date	the last date by which Applications on an Application Form will be accepted, which is 5pm (Sydney time) on 27 May 2019, or such other date as the Directors may determine
Company	Gas2Grid Limited ABN 46 112 138 780 and, where the context requires, includes the Company's subsidiaries
Constitution	the Constitution of the Company
Corporations Act	<i>Corporations Act 2001</i> (Cth)
Directors	Directors of the Company
Dollars or \$	dollars in Australian currency
Eligible Shareholder	a Shareholder with a registered address in Australia or New Zealand on the Company's Share register at the Record Date
Entitlement	the right of Eligible Shareholders to subscribe for New Shares under the Offer based on the number of Shares held by that Eligible

	Shareholder on the Record Date. Every Entitlement giving the holder, upon the payment of the Issue Price, the right to receive one New Share
Ineligible Shareholder	a Shareholder on the Company's Share register at the Record Date that is not an Eligible Shareholder
Issue Price	the price payable on subscription for each New Share, being \$0.003
Listing Rules	the Listing Rules of ASX
New Shares	Shares offered under the Offer
Offer	the non-renounceable pro-rata entitlement offer of New Shares (including any Shortfall Shares) to Eligible Shareholders under this Offer Document
Offer Document	this Offer Document dated 29 April 2019
Record Date	7pm (Sydney time) on 2 May 2019
Relevant Interest	has the meaning given to that term in the Corporations Act
Share	a fully paid ordinary share in the Company
Share Registry	Next Registries, a division of Nexia Sydney Pty Limited ABN 50 606 785 219
Shareholder	a holder of Shares registered on the share register of the Company
Shortfall Amount	the difference between the number of New Shares that would be issued if all Shareholders subscribed for New Shares under the Offer, and the total number of New Shares for which valid Application Forms and Application Monies have been received
Shortfall Shares	such number of New Shares for which valid Applications have not been received
Voting Power	has the meaning given to that term in the Corporations Act