

RED SKY ENERGY LIMITED
[ACN 099 116 275]

1 FOR 1 RIGHTS ISSUE OFFER DOCUMENT

1 FOR 1 PRO RATA NON-RENOUNCEABLE RIGHTS ISSUE AT AN ISSUE PRICE OF 0.2 CENTS (\$0.002) PER NEW SHARE TO RAISE UP TO APPROXIMATELY \$4 MILLION (BEFORE COSTS).

THE OFFER IN THIS OFFER DOCUMENT IS NOT UNDERWRITTEN

This is an important document and requires your immediate attention. It should be read in its entirety.

IMPORTANT NOTICES

This Offer Document is dated 13 November 2020. Capitalised terms in these important notices have the meaning given to them in this Offer Document.

The Offer is being made without a prospectus in accordance with section 708AA Corporations Act. This Offer Document does not contain all of the information which a prospective investor may require to make an informed investment decision. The information in this Offer Document does not constitute financial product advice and does not take into account your investment objectives, financial situation or particular needs.

This Offer Document is important and should be read in its entirety before deciding to participate in the Offer. This Offer Document is not a prospectus under the Corporations Act and has not been lodged with ASIC.

By returning an Entitlement and Acceptance Form or otherwise paying for New Shares through BPAY in accordance with the instructions on the Entitlement and Acceptance Form, you acknowledge you have read this Offer Document and you have acted in accordance with and agree to the terms of the Offer set out in detail in this Offer Document.

No overseas offering

This Offer Document and the accompanying Entitlement and Acceptance Form do not constitute an offer or invitation in any place in which, or to any person to whom, it would not be lawful to make such an offer or invitation. In particular, this Offer Document does not constitute an offer to ineligible shareholders.

No action has been taken to register or qualify the New Shares, or otherwise permit the public offering of the New Shares, in any jurisdiction outside Australia or New Zealand.

The distribution of this Offer Document (including an electronic copy) outside Australia and New Zealand, is restricted by law. If you come into possession of this Offer Document, you should observe such restrictions and should seek your own advice on such restrictions. Any non-compliance with these restrictions may contravene applicable securities laws.

New Zealand

The New Shares are not being offered or sold to the public within New Zealand other than to existing shareholders of the Company with registered addresses in New Zealand to whom the Offer of New Shares is being made in reliance on the Financial Markets Conduct (Incidental Offers) Exemption Notice 2016 (New Zealand).

This Offer Document has not been registered, filed with or approved by a New Zealand regulatory authority. This document is not an investment statement or prospectus under New Zealand law and is not required to, and may not, contain all the information that an investment statement or prospectus under New Zealand law is required to contain. The offer of securities to the ROG shareholders in New Zealand is made in compliance with relevant Australian laws.

No representations

No person is authorised to give any information or to make any representation in connection with the Offer not contained in this Offer Document. Any information or representation in connection with the Offer that is not contained in this Offer Document may not be relied upon as having been authorised by ROG or any of its officers.

Risks

Investors should consider that an investment in the New Shares and ROG generally is speculative.

Refer to section 4 of this Offer Document for a summary of general and specific risk factors that may affect ROG.

SUMMARY OF THE OFFER

Capitalised terms in this summary of the Offer have the meaning given to them in this Offer Document.

KEY INVESTMENT DETAILS

New Share issue price (each 1 New Share will be issued)	0.2 cents (\$0.002)
Ratio	1 New Share for every share held at the Record Date (1:1 basis)
Existing ROG shares on issue	2,046,183,277
Maximum number of New Shares to be issued under the Offer	2,046,183,277
Maximum amount raised under the Offer (before costs)	Approximately \$4 million

USE OF FUNDS

Funds raised by the Offer are proposed to be applied as follows, assuming completion of the Acquisition:

Use of funds	Amount
Anticipated security bond in connection with the Killanoola Oilfield Project	\$800,000
Fieldwork at the Killanoola Oilfield Project	\$2,300,000
Costs associated with the Gold Nugget Gas Field	\$13,000
Anticipated costs of the Offer	\$50,000
Working Capital	837,000
Total	\$4,000,000

Note to table: funds allocated to working capital in the above table may be used to meet development costs payable in connection with Innamincka Dome Project.

Funds raised by the Offer are proposed to be applied as follows if the Acquisition does not proceed:

Use of funds	Amount
Costs associated with the Gold Nugget Gas Field	\$13,000
Anticipated costs of the Offer	\$50,000
Working Capital	3,937,000
Total	\$4,000,000

Note to table: funds allocated to working capital in the above table may be used to meet development costs payable in connection with Innamincka Dome Project (in an amount of approximately \$1.2 million) and for the Company assessment and investigation of potential new acquisition opportunities in Australia and overseas to improve its asset portfolio.

The above tables are indicative only and are subject to change.

CAPITAL STRUCTURE

The share capital of the Company following completion of the Offer is dependent upon the number of New Shares issued under the Offer.

The below table shows the share capital of the Company if the Offer is 50% subscribed:

	Number	%
Existing shares	2,046,183,277	66.67%
50% of New Shares offered under the Offer	1,023,091,639	33.33%
Total shares	3,069,274,916	100%

Full subscription of the Offer will result in the Company doubling its existing share capital as described below:

	Number	%
Existing shares	2,046,183,277	50%
Maximum new Shares offered under the Offer	2,046,183,277	50%
Total shares	4,092,366,554	100%

The actual impact of the Offer on the existing capital structure of the Company will not be known until such time as the Company closes the Offer (including the ability to issue any Shortfall).

No convertible securities are being issued under this Offer Document. Details of the convertible securities currently on issue in the Company are set out in detail in section 2.5.

RISKS

Section 4 of this Offer Document contains a summary of some of the key risks associated with an investment in ROG, including:

- Risks associated with the Offer;
- Risks associated with the business and operations of the Company; and
- General risks including environmental risks, governmental policy and market conditions.

You should read section 4 of this Offer Document carefully before deciding to apply for New Shares.

KEY DATES

Announcement of Offer Document and release of Appendix 3B	13 November 2020
Ex-Date	17 November 2020
Record Date	18 November 2020
Offer Document dispatched and Offer opens	23 November 2020
Closing Date	4 December 2020
ROG notifies ASX of results	9 December 2020

Issue date and release of Appendix 2A

11 December 2020

The dates above are indicative only and subject to change. Subject to the Corporations Act and ASX Listing Rules, ROG reserves the right to amend this indicative timetable by making an announcement to ASX. In particular ROG reserves the right to extend the Closing Date or withdraw the offer without notice by making an announcement to ASX. Any extension of the Closing Date will have a consequential effect on the anticipated date for the issue of New Shares under the Offer.

For personal use only

1. INTRODUCTION

Red Sky Energy Limited ("**ROG**" or "**the Company**") is making a non-renounceable pro-rata offer to its eligible shareholders of 1 new share ("**New Share**") for every share held at the Record Date (1:1 basis) at an issue price of 0.2 cents (\$0.002) per New Share to raise up to approximately \$4 million before costs ("**the Offer**"). There is no minimum amount that may be raised under the Offer.

The Offer is being made under section 708AA of the Corporations Act. This Offer Document is not a prospectus and does not contain all of the information that would ordinarily be contained in a prospectus.

Shareholders should be aware that investment in New Shares and in ROG generally involve risks, which may be higher than or different to risks associated with investments in other companies. Some of the key risks are set out in section 4 of this Offer Document. Investors should consider investment in ROG speculative.

If you are in doubt what to do or whether to accept the Offer and subscribe for New Shares you should consult your stockbroker, accountant, solicitor or other professional adviser without delay.

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

The Company makes announcements to ASX from time to time which can be obtained from the Company's announcements page on the ASX website www2.asx.com.au, search code "ROG".

2. DETAILS OF OFFER

2.1 The Offer

The Offer is made to registered holders of ROG shares on the Record Date whose address in ROG's register of members is in Australia and New Zealand (being "**eligible shareholders**") on the basis of one (1) New Share for every share held at the Record Date (1:1 basis) by the eligible shareholders.

The Record Date is 18 November 2020. The Closing Date is 4 December 2020 (which may be extended without notice by announcement released to ASX). Other dates are set out in the timetable below.

The Offer is non-renounceable and rights to entitlements are not able to be traded or transferred and, accordingly, there is no ability to trade rights on ASX.

The shares issued under the Offer will be fully paid ordinary shares in the capital of ROG ranking equally in all respects with the existing fully paid shares from the date of their issue.

The Offer is not underwritten.

2.2 Non-qualifying foreign shareholders

No offer is made to shareholders whose address in ROG's register of members is outside Australia and New Zealand as at the Record Date. Further details are set out in section 9.

ROG is of the view that it is unreasonable to make the Offer to shareholders outside of Australia and New Zealand having regard to:

- (a) the number of shareholders registered outside of Australia and New Zealand;
- (b) the number and value of securities to be offered to shareholders registered outside of Australia and New Zealand; and
- (c) the cost of complying with the legal requirements and requirements of regulatory authorities in overseas jurisdictions.

The Company is not required to make the Offer to non-qualifying foreign shareholders (shareholders with addresses on the company's register of members outside of Australia and New Zealand). A total of 24,481,833 shares (approximately 1.20% of existing issued shares) are held by fifty eight (58) non-qualifying foreign shareholders in ten (10) different countries. These shares of the non-qualifying foreign shareholders are equivalent to entitlements to 24,481,833 New Shares (approximately \$48,965 at the 0.2 cents (\$0.002) issue price of New Shares). The New Shares that would otherwise have been offered to non-eligible shareholders will form part of the Shortfall.

2.3 Shortfall

Any part of your entitlement to New Shares not taken up will form part of the Shortfall. Such shares ("**Shortfall Shares**") will be issued at the same price and on the same terms as New Shares (i.e. 0.2 cents per Shortfall Share).

If you are an eligible shareholder and accept your entitlement to New Shares in full you may also apply for Shortfall Shares (subject to the restrictions set out below). To apply for Shortfall Shares please complete the relevant section of your Entitlement and Acceptable Form. Further details are set out in section 2.8.

The issue of Shortfall Shares in response to applications for additional New Shares will depend on there being sufficient Shortfall Shares available after all valid acceptances of entitlements are fulfilled.

The allocation of Shortfall Shares will be at the discretion of the Board having regard to factors including the respective pro-rata entitlements of the subscribing shareholders at the Record Date. The Board will endeavour, where possible, to allot Shortfall Shares (whether to eligible shareholders or third parties) to a spread of investors to mitigate control effects which may otherwise arise from issuing Shortfall Shares to a single or small number of investors. Furthermore, the Board will give priority to Shortfall applications made by eligible shareholders who hold less than marketable parcels (being less than \$500) to enable those shareholders to increase their holdings to a marketable parcel.

For the avoidance of doubt the Company may seek to place the Shortfall with professional, sophisticated and other investors exempt from the disclosure requirements of Chapter 6D of the Corporations Act who are invited to subscribe for Shortfall Shares. The Company may pay a fee to unrelated entities for providing services in connection with placement of the Shortfall Shares with investors who are not eligible shareholders.

No shareholder or investor will be allocated Shortfall Shares if that would result in the relevant interest of the shareholder (and its associates) exceeding 20% of the issued capital of the Company.

The ASX Listing Rules do not permit related parties of the Company (including Directors) to apply for or receive Shortfall Shares. As at the date of this Offer Document, the Company does not propose seeking shareholder approval for related parties to apply for or receive Shortfall Shares, however this position may change in future.

The number of Shortfall Shares you receive as a result of a Shortfall application (if any) will depend on the extent to which Eligible Shareholders accept their entitlements to the Offer, the extent to which Eligible Shareholders who accept their entitlement in full apply for Shortfall Shares and the discretion of the Board to accept or reject Shortfall applications in whole or in part. Shortfall Shares will not be issued to shareholders or others where to do so would involve a breach of the ASX Listing Rules, the Corporations Act or any other applicable law.

2.4 Capital Structure

The tables below set out the existing capital structure of the Company and the effect that the issue of New Shares under the Offer will have on the capital structure of the Company.

SHARES

The share capital of the Company following completion of the Offer is dependent upon the number of New Shares issued under the Offer.

The below table shows the share capital of the Company if the Offer is 50% subscribed:

	Number	%
Existing shares	2,046,183,277	66.67%

50% of New Shares offered under the Offer	1,023,091,639	33.33%
Total shares	3,069,274,916	100%

Full subscription of the Offer will result in the Company doubling its existing share capital as described below:

	Number	%
Existing shares	2,046,183,277	50%
Maximum New Shares offered under the Offer	2,046,183,277	50%
Total shares	4,092,366,554	100%

The actual impact of the Offer on the existing capital structure of the Company will not be known until such time as the Company closes the Offer (including the ability to issue any Shortfall).

CONVERTIBLE SECURITIES

No convertible securities are being issued under this Offer Document. Accordingly, the conduct of the Offer will not have any impact on the number of convertible securities on issue in the Company.

The Company has 150,000,000 performance rights on issue as at the date of this Offer Document.

2.5 Timetable

The indicative timetable for the conduct of the Offer is set out in the table below:

Announcement of Offer Document and release of Appendix 3B	13 November 2020
Ex-Date	17 November 2020
Record Date	18 November 2020
Offer Document dispatched and Offer opens	23 November 2020
Closing Date	4 December 2020
ROG notifies ASX of results	9 December 2020
Issue date and release of Appendix 2A	11 December 2020

The dates above are indicative only and subject to change. Subject to the Corporations Act and ASX Listing Rules, ROG reserves the right to amend this indicative timetable by making an announcement to ASX. In particular ROG reserves the right to extend the Closing Date or withdraw the offer without notice by making an announcement to ASX. Any extension of the Closing Date will have a consequential effect on the anticipated date for the issue of New Shares under the Offer.

2.6 Proposed Use of Funds

Funds raised by the Offer are proposed to be applied as follows, assuming completion of the Acquisition:

Use of funds	Amount
Anticipated security bond in connection with the Killanoola Oilfield Project	\$800,000
Fieldwork at the Killanoola Oilfield Project	\$2,300,000
Costs associated with the Gold Nugget Gas Field	\$13,000

Anticipated costs of the Offer	\$50,000
Working Capital	837,000
Total	\$4,000,000

Note to table: funds allocated to working capital in the above table may be used to meet development costs payable in connection with Innamincka Dome Project.

Funds raised by the Offer are proposed to be applied as follows if the Acquisition does not proceed:

Use of funds	Amount
Costs associated with the Gold Nugget Gas Field	\$13,000
Anticipated costs of the Offer	\$50,000
Working Capital	3,937,000
Total	\$4,000,000

Note to table: funds allocated to working capital in the above table may be used to meet development costs payable in connection with Innamincka Dome Project (in an amount of approximately \$1.2 million) and for the Company assessment and investigation of potential new acquisition opportunities in Australia and overseas to improve its asset portfolio.

The above tables are indicative only and are subject to change.

2.7 Entitlements and Acceptances

Your entitlement is shown on the Entitlement and Acceptance Form accompanying this Offer Document. You may only accept the Offer by:

- (a) making payment by BPAY¹ in accordance with the instructions on your personalised Entitlement and Acceptance Form; or
- (b) returning a completed personalised Entitlement and Acceptance Form with a cheque in accordance with the instructions on the Form.

ROG will accept Entitlement and Acceptance Forms until 5.00pm (Melbourne time) on the Closing Date or such other date as the Directors in their absolute discretion shall determine, subject to the requirements of the Corporations Act and the ASX Listing Rules.

2.8 Applying for Shortfall Shares

Details regarding the potential allocation of the Shortfall Shares is set out in section 2.3.

In addition to being able to accept your pro rata entitlement as shown on the Entitlement and Acceptance Form, if you accept and pay the application monies for your entire pro rata entitlement you may also apply for Shortfall Shares in respect of entitlements that are not subscribed for in full under the Offer.

Instructions for applying for additional shares are set out in your Entitlement and Acceptance Form. Applications for Shortfall Shares must be received by 5.00 pm (Melbourne time) on the Closing Date or such other date as the Directors in their absolute discretion shall determine, subject to the requirements of the Corporations Act and the ASX Listing Rules.

You may only make an application for Shortfall Shares if you accept your full entitlement to New Shares under the Offer. The ASX Listing Rules do not permit Directors and related parties of the Company to apply for or receive Shortfall Shares.

As noted in section 2.3, the Company may seek to place the Shortfall with professional, sophisticated and other

¹ ® Registered to Bpay Pty Ltd ABN 69 079 137 518

investors exempt from the disclosure requirements of Chapter 6D of the Corporations Act who are invited to subscribe for Shortfall Shares.

Shortfall Shares will only be issued if the entitlements under the offer are not taken up in full. If ROG receives applications for Shortfall Shares that would result in the Offer being oversubscribed, ROG will not accept any oversubscriptions and will scale back applications received for Shortfall Shares in the manner set out in section 2.3. The Directors reserve the right to scale back applications for additional Shortfall Shares at their absolute discretion.

In the event of an application for Shortfall Shares not being accepted, including because of a scale back, the application monies received for an unsuccessful application for Shortfall Shares (or the applicable portion if the application is partly successful) will be refunded to the applicant, without interest, by way of a cheque being sent to the registered address of the application as soon as practicable.

No Shortfall Shares will be issued to an applicant if to do so would, to the extent of the knowledge of the Company, result in a breach of the Listing Rules of ASX or the restrictions on obtaining or increasing relevant interests of greater than 20% of the ROG's issued voting shares under Chapter 6 of the Corporations Act or would otherwise be contrary to the Corporations Act or the ASX Listing Rules.

As noted above, The ASX Listing Rules do not permit related parties of the Company (including Directors) to apply for or receive Shortfall Shares. As at the date of this Offer Document, the Company does not propose seeking shareholder approval for related parties to apply for or receive Shortfall Shares, however this position may change in future.

2.9 Paying by BPAY

If paying by BPAY, you should be aware that your financial institution may implement earlier cut off times with regards to electronic payment, and should therefore take this into consideration when making payment. You may also have your own limit on the amount that can be paid via BPAY. It is your responsibility to check that the amount you wish to pay by BPAY does not exceed your limit. The Company and its share registry accept no responsibility for unsuccessful, delayed, incomplete BPAY payments.

If you have multiple holdings you will have multiple BPAY reference numbers. To ensure that you receive your entitlement in respect of each holding, you must use the customer reference number shown on each personalised Entitlement and Acceptance Form when paying for any Shares that you wish to accept your entitlement for in respect of that holding. Payments in excess of the amount payable for one holding will not be treated as payment for another holding, and the excess will be treated as an application for additional shares.

3. PROPOSED ACQUISITION OF KILLANOOLA OILFIELD PROJECT

On 6 November 2020 the Company announced that its wholly owned subsidiary, Red Sky (Killanoola) Pty Ltd (**RSK**), had entered into a binding Sale and Purchase Agreement (**SPA**) with Adelaide Energy Pty Ltd (**Vendor**), a subsidiary of Beach Energy Limited, to acquire the interests held by the Vendor in South Australian Petroleum Retention Licence 13 (**PRL-13**) which contains the Killanoola oilfield (**Acquisition**).

Details of the Acquisition, the Killanoola oilfield and the terms of the SPA (including the consideration payable and obligations being assumed by the Company) are set out in the announcement released 6 November 2020.

Completion of the Acquisition is subject to and conditional upon the satisfaction of certain conditions precedent including the execution by a third party of a document under which RSK assumes the royalty interests and obligations of the Vendor and the Company effecting a capital raising under which the Company receives cleared funds in an amount at least equal to \$500,000. The conditions precedent are to be satisfied within 120 days of the date of the Agreement or such later date as agreed between RSK and the Vendor.

At completion, the Vendor shall pay to RSK in immediately available funds an amount equal to \$275,000 less the purchase price. The purchase price of \$1.00 plus any applicable GST.

RSK must, within 10 business days of completion of the Acquisition, provide the financial security required by the South Australian Department of Energy and Mining in connection with PRL-13. The financial security is proposed to be met (either in full or in part) by the funds raised in accordance with the capital raising condition precedent and the contribution to be made by the Vendor at completion in combination. It is anticipated that

the financial security will be approximately \$0.8 million, however the actual amount will not be known until such time as the financial security is confirmed by the South Australian Department of Energy and Mining.

As noted in the use of the funds set out in section 2.6, if the Acquisition completes it is proposed that a significant proportion of the funds raised under the Offer will be utilised in connection with the Killanoola Oilfield Project, including to meet the financial security noted above and to the re-development of the Killanoola Oilfield Project.

4. RISKS

The Company's activities, as in any business, are subject to risks which may impact the Company's future performance. The following is a summary of the more material matters to be considered and should be read in conjunction with any specific matters which have or may be referred to in the Company's ASX announcements. The summary below is not exhaustive, rather represents some of the major risk factors which you need to be aware of in evaluating the Company's business and the risks of increasing your investment in the Company.

4.1. Risks associated with the Offer

Value of New Shares and share market conditions

The market price of the Company's securities is subject to varied and unpredictable influences on the market for equities in general and with respect to resources stocks in particular. Market conditions may affect the value of the Company's securities regardless of the Company's performance. Lack of liquidity may also affect the value of the Company's securities. The trading price of New Shares may fall as well as rise.

In particular, the extent of the effects of Covid-19 is at this stage uncertain and evolving rapidly. The Covid-19 pandemic is having, and is expected to continue to have, a significant influence on the volatility of equity markets generally and may continue to impact and influence the market price of the Company's securities.

Liquidity

There can be no assurance there will be, or continue to be, an active market for the shares of the Company (including New Shares) or that the price of New Shares will increase.

Dilution

The issue of New Shares will result in holders who do not take up their entitlements to New Shares under the Offer being diluted. The number of New Shares to be subscribed for by an eligible shareholder to not have their holding diluted in the Company is dependent on the current shareholding of the eligible shareholder and the number of New Shares issued.

Taxation consequences

The issue of New Shares and/or Shortfall Shares may have taxation consequences depending on the particular circumstances of the recipient. You should seek your own professional advice before applying for New Shares under the Offer and/or Shortfall Shares.

4.2. Specific Risks

Acquisition Risk – Killanoola Oilfield Project

As set out section 3, the Company via its wholly owned subsidiary RSK is proposing to acquire the rights and interests held by the Vendor in PRL-13 pursuant to the terms of the SPA (being the Acquisition).

As set out in section 3 and the announcement of the Company released to ASX on 6 November 2020, completion of the Acquisition remains subject to the satisfaction of conditions precedent/subsequently, some of which are outside of the control of the Company. Additionally, where ministerial consent is required, the parties have agreed to seek such consent in a timely manner post-completion, failing which the parties have agreed to endeavour to re-negotiate the terms of the Acquisition. In these circumstances, there is a risk the Company will not be able to re-negotiate terms of the Acquisition suitable to the Company, or at all.

The SPA also contains termination provisions, including where conditions are not satisfied/waived or where one of the parties breaches the terms of the SPA.

While it is the Company's intention to proceed with and complete the Acquisition, there is a risk that applicable conditions precedent/subsequent will not be satisfied or waived, that ministerial consent will not be obtained, or will be obtained on terms that the Company cannot satisfy, that if ministerial consent is not obtained the terms of the Acquisition are not able to be re-negotiated on terms suitable to the Company (or at all) and/or that termination rights will arise and be exercised by one of the parties.

There is also a risk that, following completion of the Acquisition, the Company will be subject to further regulatory and/or legal requirements in connection with the Killanoola Oilfields Project, including the costs of complying with the regulatory requirements of the South Australian Department for Energy and Mining (whether in connection with payment of the financial security, rehabilitation costs or otherwise). This may require the Company to increase its working capital outlay and/or raise additional funds to meet such requirements in a timely manner, if at all.

Further details of risks associated with the exploration and development of resources are set out below.

Following the Acquisition, the Company will also be responsible for discharging all obligations and liabilities arising in respect of the assets comprising the Killanoola Oilfield Project. These obligations and liabilities are anticipated to include provision of monetary bonds (referred to as the financial security in section 3) and environmental rehabilitation obligations.

Further details of the environment risks applicable to the Company are set out below.

Further updates regarding the Acquisition and/or the Killanoola Oilfield Project, and the other activities of the Company, may be released to ASX from time to time. The announcements of the Company are available at www2.asx.com.au, search code "ROG" and investors should have regard to the announcements of the Company as released to ASX from time to time in considering whether to subscribe for New Shares.

Exploration and Development Risk

The business of oil and gas exploration, project 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:

- (i) the discovery and/or acquisition of economically recoverable reserves;
- (ii) access to adequate capital to carry out exploration and appraisal work programmes and for project development;
- (iii) design and construction of efficient development and production infrastructure within capital expenditure budgets;
- (iv) securing and maintaining title to interests, including payment of applicable maintenance costs;
- (v) obtaining and maintaining licences, permits, consents and approvals necessary for the conduct of oil and gas exploration, development and production; and
- (vi) 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, appraisal and establishment of production facilities. Factors including costs, actual hydrocarbons and formations, flow consistency and reliability and commodity prices affect successful project development and operations.

Drilling activities carry risk as such activities may be curtailed, delayed or cancelled as a result of weather conditions, mechanical difficulties, shortages or delays in the delivery of drill rigs or other equipment. In addition, drilling and operations include reservoir risk.

Industry operating risks include fire, explosions, unanticipated reservoir problems which may affect field production performance, industrial disputes, unexpected shortages or increases in the costs of consumables, spare parts, plant and equipment, mechanical failure or breakdown, blow outs, pipe failures and environmental hazards such as accidental spills or leakage of liquids, gas leaks, ruptures, discharges of toxic gases or geological uncertainty (such as lack of sufficient sub-surface data from correlative well logs and/or formation core analyses). The occurrence of any of these risks could result in legal proceedings against the Company and substantial losses to the Company due to injury or loss of life, damage to or destruction of property, natural resources or equipment, pollution or other environmental damage, clean-up responsibilities, regulatory investigation, and penalties or suspension of operations. Damage occurring to third parties as a result of such risks may give rise to claims against the Company.

There is no assurance that any exploration on current or future interests will result in the discovery of an economic deposit of oil or gas. Even if an apparently viable deposit is identified, there is no guarantee that it can be economically developed. In addition, exploration, development and/or production activities in South Australia may require protracted negotiations with the state government and third parties and there is no guarantee that the results of these negotiations would be favourable to the Company.

Farmout Risk

As announced to ASX on 11 September 2019, the wholly owned subsidiary of the Company, Red Sky Energy (NT) Pty Ltd has entered into a Farmout Agreement with Santos QNT Pty Ltd (**Santos**), a wholly owned subsidiary of Santos Limited (ASX:STO) in respect of the Innamincka Dome Project of the Company.

The Farmout Agreement provides for Santos to earn up to an 80% interest in, and operatorship **over**, the Innamincka Dome Project by sole funding specific obligations in connection with exploration of the Innamincka Dome Project. The Company most recently provided an update on progress of the Farmout Agreement in its interim financial report for the half-year ended 30 June 2020 that was released to ASX on 10 September 2020 and its quarterly activities and cashflow report for the period ended 30 September 2020 that was released to ASX on 29 October 2020.

There is a risk that the obligations under the Farmout Agreement may not be met in a timely manner, or at all. Even if such obligations are met, there is no guarantee that a commercially viable project will be identified at the Innamincka Dome Project. In addition, any joint venture arrangements entered into ancillary to the Farmout Agreement would be subject to risks typically associated with arrangements of this kind, including that either party may seek to terminate or withdraw from the arrangement or fail to meet their obligations thereunder.

Further updates regarding the progress of the Farmout Agreement, and the other activities of the Company, may be released to ASX from time to time. The announcements of the Company are available at www2.asx.com.au, search code "ROG" and investors should have regard to the announcements of the Company as released to ASX from time to time in considering whether to subscribe for New Shares.

Title Risk

All licenses are subject to compliance with certain requirements, including but not limited to meeting the minimum exploration work commitments, lodgement of reports, payment of royalties and compliance with environmental conditions and environmental legislation. Consequently, the Company could lose title to or its interest in any of the licenses to any of its assets if these requirements are not met.

Reserve and Resource Estimate Risk

Oil reserve and resource estimates are expressions of judgement based on knowledge, experience and industry practice. Estimates that were valid when originally calculated may alter significantly when new information or techniques become available. In addition, by their very nature, resource and reserve estimates are imprecise and depend to some extent on interpretations, which may prove to be inaccurate. As further information becomes available through additional drilling and analysis, the estimates may change. This may result in alterations to development and production plans which may in turn, adversely affect the operations of the Company.

There are numerous uncertainties inherent in estimating quantities of proved and probable reserves and cash flows to be derived therefrom, including many factors beyond the control of the Company. These evaluations include a number of assumptions relating to factors such as initial production rates, ultimate recovery of

reserves, timing and amount of capital expenditures, marketability of production, oil price differentials to forecasts, operating costs, transportation costs, cost recovery provisions and royalties, and other government levies that may be imposed over the producing life of the reserves.

Estimates of the economically recoverable oil reserves attributable to the project properties, classification of such reserves based on risk of recovery and estimates of future net revenues associated with reserves may vary from actual results, and those variations could be material. The process of estimating reserves requires interpretations and judgments on the part of reservoir engineers, resulting in imprecise determinations, particularly with respect to new discoveries. Different engineers may make different estimates of reserve quantities and revenues attributable thereto based on the same data.

The reserve evaluation is based in part on the assumed success of activities the Company intends to undertake in future years. The reserves and estimated cash flows to be derived therefrom and contained in the reserve evaluation will be reduced to the extent that such activities do not achieve the level of success assumed in the reserve evaluation. The reserve/resource evaluation is effective as of a specific effective date and, except as may be specifically stated, has not been updated and therefore does not reflect changes in the reserves/resources since that date.

The estimation of proved reserves that may be developed and produced in the future are often based upon probabilistic calculations and upon analogy to similar types of reserves rather than upon actual production history. Estimates based on these methods generally are less reliable than those based on actual production history. Subsequent evaluation of the same reserves based upon production history may result in variation or revisions in the estimates reserves, and any such variations or revisions could be material. Market driven fluctuations of commodity prices may render the recovery of certain reserves uneconomic.

Commercial Discovery Risk

Even if an apparently viable deposit is identified, there is no guarantee that it can be profitably exploited. While drilling may yield some hydrocarbons there can be no guarantee that any discovery will be sufficiently productive to justify commercial development or cover operating costs. There can be no assurance that the Company will achieve production as this will depend on a wide range of factors, including development decisions, capital costs and operating costs and the ability of the Company to fund these costs.

Going Concern Risk

As advised in the half yearly financial statements of the Company and its subsidiaries ("**Consolidated Entity**") for the half year ended 30 June 2020, there are risks with the Company continuing as a going concern.

The Directors are of the opinion that the Consolidated Entity is a going concern due to the following factors:

- (i) The Consolidated Entity is in the process of raising funds under the Offer. Assuming the Offer is successful, all expenditures relating to the Killanoola oil project and other activities will be met out of the funds raised under the Offer.
- (ii) The Company has the ability to raise additional further working capital in the shorter term from:
 - a capital raising;
 - borrowings; and
- (iii) The Company has the ability to sell assets, or an interest in assets.

Whilst the Directors are confident that the above initiatives will generate sufficient funds to enable the Consolidated Entity to continue as a going concern for at least the period of 12 months from the date of signing that financial report, should these initiatives be unsuccessful, there exists a material uncertainty that may cast significant doubt on the ability of the Consolidated Entity to continue as a going concern and, therefore, whether it will be able to realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial report.

Oil and gas price fluctuations

The demand for, and price of, oil and natural gas is highly dependent on a variety of factors, including international supply and demand, the level of consumer product demand, weather conditions, the price and availability of alternative fuels, actions taken by governments and international cartels, and global economic and political developments.

International oil and gas prices have fluctuated widely in recent years and may continue to fluctuate significantly in the future. Fluctuations in oil and gas prices and, in particular, a material decline in the price of oil or gas may have a material adverse effect on the Company's business, financial condition and results of operations.

Environmental risks

National, state and provincial law and regulations regarding environmental hazards set various standards regulating certain aspects of health and environmental quality, and applicable penalties and liabilities for the violation of such standards. The laws and regulations establish, in certain circumstances, obligations to remediate facilities or locations where operations are or were conducted.

Significant liability can be imposed on the Company for damages, clean-up costs, or penalties for non-compliance with environmental law or regulations, for example due to discharges into the environment, and can include environmental damage caused by previous holders of rights in locations held or acquired by the Company.

As noted above, the Company will, following completion of the Acquisition, assume all obligations arising in respect of the assets comprising the Killanoola Oilfield Project. These obligations may include the requirements regarding environmental rehabilitation, which may then require the Company to expend substantial funds to meet such rehabilitation obligations.

The existence and/or quantum of such rehabilitation obligations, if any, is yet to be determined by the Company.

Contractual Dispute Risk

Contractual disputes with joint venture partners, operators and contractors can arise from time to time. Some of the Company's projects may in future be conducted as joint ventures. Where a venture partner does not satisfy its financial or other commitments or act in the best commercial interest of the project, it could have a material adverse effect on the interests of the Company. The Company is unable to predict the risk of financial failure, non-compliance with obligations or default by a participant in any venture to which it is, or may become, a party, or insolvency or managerial failure by any contractors used by the Company in its exploration activities.

Government Policy and Regulatory Risk

Changes in government, financial policy, taxation and other laws cannot be predicted and may affect the Company's ability to carry on its proposed activities, restrict the Company in achieving its objective or may result in increased compliance costs or complexities in managing the Company's proposed operations and activities.

The Company is also subject to various regulatory requirements, including accounting requirements. Changes to standards, policies, guidelines, interpretations or principles may affect the Company's ability to carry out its activities and/or achieve its objectives. The Company cannot control or predict changes to regulatory requirements, which may adversely affect the Company.

In South Australia, the State retains control of the exploration and production of mineral resources. Accordingly, these operations may be materially affected by the government through royalty payments, regulations, surcharges, value added taxes and other charges. The Company has operated in South Australia for the last two years and management believes that the Company has reasonably good relations with the current South Australian government. However, there can be no assurance that present or future administrations or governmental regulations in South Australia will not materially adversely affect the operations or future cash flows of the Company.

Competition risk

The oil industry is competitive in all its phases. The Company competes with numerous other organizations in the search for, and the acquisition of, hydrocarbon properties and in the marketing of these products.

The Company's competitors include oil and gas companies that have substantially greater financial resources, staff and facilities than those of the Company. The Company's ability to increase its reserves in the future will depend on its ability to explore and develop its present properties. Competitive factors in the distribution and marketing of oil include product quality, price and methods and reliability of delivery and storage.

Risks associated with future transactions

While the Company intends to pursue the Acquisition, as disclosed in its interim financial report for the half-year ended 30 June 2020 that was released to ASX on 10 September 2020 and its quarterly activities and cashflow report for the period ended 30 September 2020 that was released to ASX on 29 October 2020, the Company assesses and investigates potential new opportunities in Australia and overseas to improve its asset portfolio on an ongoing basis. As at the date of this Offer Document, no such opportunity other than the Acquisition has progressed to a point where disclosure is required by the ASX Listing Rules.

Were the Company to identify an opportunity it considers desirable, it may be required by ASX to meet certain requirements, including obtaining shareholder approval and/or re-complying with ASX admission and quotation requirements. If this were to occur, the Company would be required to expend significant cash reserves to meet such requirements and there can be no guarantee given the Company would meet such requirements in a timely manner, or at all.

There is also the risk, following completion of the acquisition of a new opportunity, the Company will be subject to further regulatory and/or legal requirements in connection with its new operations and activities.

As noted above, no opportunity other than the Acquisition has progressed to a point where disclosure is required by the ASX Listing Rules and the matters set out in this risk are general in nature and do not refer to a specific opportunity identified by the Company, either as at the date of this Offer Document or in future.

Lack of production, income or dividends

The Company has historically not generated returns from its activities. There is no certainty that production may start or income be generated at any particular time, or at all, or that production or the levels of revenue (if achieved) will be profitable.

Any future determination as to the payment of dividends by the Company will be at the discretion of the Directors and will depend on the financial condition of the Company, future capital requirements and general business and other factors considered relevant by the Directors. No assurance in relation to the payment of dividends or franking credits attaching to dividends can be given by the Company.

Additional requirements for capital

The Company's funding requirements depend on numerous factors including the Company's ability to generate income from sales of existing products and or any new products or platforms, the outcome of future development programs and the acquisition of any new intellectual property. The Company may require further funding in addition to current cash reserves to fund future development activities or the acquisition of new assets. Additional equity financing, if available, may be dilutive to shareholders and/or occur at prices lower than the market price. Debt financing, if available, may involve restrictions on financing and operating activities. If the Company is unable to obtain additional financing as needed it may be required to reduce the scope of its development operations.

Climate change risk

As an entity engaged in exploration activities, the Company anticipates it will be subject to climate risks and in particular:

- the emergence of new or expanded regulations associated with transitioning to a lower carbon economy including market changes associated with climate change mitigation. The Company may be impacted by local and international compliance regulations, or specific taxes or penalties associated with carbon emissions or environmental damage. Given the uncertainty with respect to the future regulatory framework regarding climate change mitigation, the Company may be subject to further restrictions,

conditions and risks. While the Company will seek to manage such risks as and when they arise, there can be no guarantee that the Company will be able to do so in a cost effective manner, if at all; and

- climate change may cause physical and environmental risks that cannot be predicted, including extreme weather patterns and events that may directly or indirectly impact the operations of the Company and may significantly disrupt the industry in which the Company operates.

4.3. General Risks

Covid-19

The outbreak of Covid-19 is impacting global economic markets. The nature and extent of the effect of the outbreak on the performance of the Company remains unknown. The Company's share price may be adversely affected in the short to medium term by the economic uncertainty caused by Covid-19. Further, any governmental or industry measures taken in response to Covid-19 may adversely impact the operations of the Company and are likely to be beyond the control of the Company.

The Directors are monitoring the situation closely and have considered the impact of Covid-19 on the Company's business and financial performance. However, the situation is continuing to evolve and the consequences are uncertain. In compliance with its continuous disclosure obligations, the Company will provide updates to the market as and when Covid-19 has a material impact on the Company and its business and finances.

Economic risks

General economic conditions, movements in interest and inflation rates and currency exchange rates may have an adverse effect on the Company's activities, as well as on its ability to fund those activities. Furthermore, share market conditions may affect the value of the Company's securities regardless of the Company's operating performance. Share market conditions are affected by many factors such as:

- general economic outlook;
- interest rates and inflation rates;
- currency fluctuations;
- changes in investor sentiment toward particular market sectors;
- the demand for, and supply of, capital; and
- terrorism, instability or other hostilities causing political instability in Australia and surrounding countries.

Trading Price of Shares

The Company's operating results, economic and financial prospects and other factors will affect the trading price of the New Shares. In addition, the price of shares is subject to varied and often unpredictable influences on the market for equities, including but not limited to, general economic conditions including the performance of the Australian dollar, the Euro and US dollars on world markets, inflation rates, foreign exchange rates and interest rates, variations in the general market for listed stocks in general, short-selling, changes to government policy, legislation or regulation, industrial disputes, general operational and business risks, and hedging or arbitrage trading activity that may develop involving the shares of the Company.

In particular, the share prices for many companies have been and may in the future be highly volatile which in many cases may reflect a diverse range of non-company specific influences such as global hostilities and tensions relating to certain unstable regions of the world, acts of terrorism and the general state of the global economy. No assurances can be made that the Company's market performance will not be adversely affected by any such market fluctuations or factors.

Reputational Risk

Due to the Company's asset concentration, the Company's operations are dependent on positive relationships with a small number of organizations (including the government of South Australia). Damage to the Company's reputation within South Australia due to the actual or perceived occurrence of any number of events could negatively impact the Company. Reputation loss may lead to increased challenges in developing and maintaining community relations, decreased investor confidence, and the impediment of the Company's overall ability to advance its project development, thereby having a material adverse impact on financial performance, cash flows and growth prospects.

Unforeseen Risks

There may be other risks which the Directors and/or management of the Company are unaware which may impact upon the Company, its operations and/or the value and performance of the New Shares and the Company generally.

Reliance on key management

The responsibility of overseeing the day-to-day operations and the strategic management of the Company will depend substantially on its senior management and Directors. There can be no assurance there will be no detrimental impact on the performance of the Company or its growth potential if one or more senior manager or director cease their employment with the Company and suitable replacements are not identified and engaged in a timely manner.

Insurance

Insurance against all risks associated with hydrocarbon development and production is not always available or justifiable on a cost-benefit basis. The Company will maintain insurance where it is considered appropriate for its needs, however it will not be insured against all risks either because appropriate cover is not available or because the Directors consider the required premiums to be excessive having regard to the benefits that would accrue.

Litigation

The Company is exposed to possible litigation risks including contractual disputes, occupational health and safety claims and employee claims. Further, the Company may be involved in disputes with other parties in the future which may result in litigation. Any such claim or dispute if proven, may impact adversely on the Company's operations, financial performance and financial position.

Government Policy

Changes in government, financial policy, taxation and other laws in any local and/or international markets or regions, including changes in response to Covid-19, cannot be predicted and may affect the Company's ability to carry on its proposed activities, restrict the Company in achieving its objectives or may result in increased compliance costs or complexities in managing the Company's proposed operations and activities.

The Company is also subject to various regulatory requirements, including mining and accounting requirements. Changes to standards, policies, guidelines, interpretations or principles may affect the Company's ability to carry out its activities and/or achieve its objectives. The Company cannot control or predict changes to regulatory requirements, which may adversely affect the Company.

4.4. Speculative investment

The above list of risk factors ought not to be taken as exhaustive of the risks faced by the Company or by investors in the Company. The above risk factors, and other not specifically referred to above, may materially affect the future financial performance of the Company and the value of its securities.

There may be other risks which the Directors are unaware which may impact the Company, its operations and/or valuation and performance of the Company's shares.

The New Shares therefore carry no guarantee with respect to the payment of dividends, returns of capital or market value. The Company does not expect to declare any dividends in the near-future.

Potential investors should consider that investment in the Company is highly speculative and should consult their professional advisers before deciding whether to apply for New Shares pursuant to the Offer.

5. EFFECT ON CONTROL OF THE COMPANY

5.1. Dilutive impact

The potential effect the issue of the shares under the Offer will have on control of the company is as follows:

- (a) if all eligible shareholders take up their entitlements to shares under the Offer then the Offer will not have a significant effect on the control of the Company as eligible shareholders will maintain their respective percentage shareholdings in the Company; or
- (b) to the extent that a shareholder does not or is not eligible to take up their entitlement under the Offer, that shareholder's percentage shareholding in the Company will be diluted; or
- (c) If an eligible shareholders takes up their entitlement for New Shares in full and applies for and receives Shortfall Shares then their percentage shareholding in the Company will increase.

No person will by acceptance of their entitlement become, nor will any person through acceptance of Shortfall Shares be permitted to, acquire a relevant interest in more than 20% of the issued voting shares of the Company under the Offer, and as a result the Offer will not have a material effect on control of the Company.

Shareholders who take up their full entitlement for New Shares under the Offer will not be diluted as a result of conduct of the Offer. Examples of the impact of dilution on existing holders where a shareholder does not take up its entitlement and the Offer is 50% subscribed or 100% subscribed are set out below:

Shareholder (example)	Holding at the Record Date	% at the Record Date*	1 for 1 entitlement under the Offer	Holding if entitlement not taken up	As % of total Shares on issue after the Offer (3,069,274,916 shares)	As % of total Shares on issue after the Offer (4,092,366,554 shares)
A	10,000,000	0.49%	10,000,000	10,000,000	0.33%	0.24%
B	20,000,000	0.98%	20,000,000	20,000,000	0.65%	0.49%
C	40,000,000	1.95%	40,000,000	40,000,000	1.30%	0.98%
D	60,000,000	2.93%	60,000,000	60,000,000	1.95%	1.47%
E	80,000,000	3.91%	80,000,000	80,000,000	2.61%	1.95%
F	100,000,000	4.89%	100,000,000	100,000,000	3.26%	2.44%

Notes to table:

- (1) all percentages are subject to rounding.
- (2) The notional Shareholders in the examples above do not acquire or dispose of shares and that no existing options are converted into ordinary shares.
- (3) No performance rights convert to ordinary shares.

5.2. Substantial shareholders

As at the date of this Offer Document, the Company has two substantial shareholders:

- Mavrodis Nestor who holds 9.63% of the issued shares of the Company; and
- Cashmere Dell Pty Ltd which holds 5.47% of the issued shares of the Company.

For indicative purposes only, if only the relevant substantial shareholder takes up their respective entitlement to New Shares under the Offer and no other eligible shareholders participated or New Shares were otherwise issued under the Offer, then:

- the holding of Mavrodis Nestor would increase to a maximum of 17.56% of the issued shares of the Company;
- the holding of Cashmere Dell Pty Ltd would increase to a maximum of 9.17% of the issued shares of the Company;

The above numbers are indicative only and assume that the named substantial shareholder takes up their full entitlement to New Shares under the Offer and no other New Shares are issued under the Offer.

5.3. Director interests

The following tables sets out the direct and indirect interests of the Directors at the date of this Offer Document. As at the date of this Offer Document, the Directors have indicated that they intend to take up New Shares under their entitlement under the Offer, however the number of New Shares to be taken up by each remains subject to confirmation. Accordingly, the below tables have been prepared for illustrative purposes to show the interests of the Directors if they do not take up their entitlement to New Shares under the Offer **or** if they take up their full entitlement to New Shares under the Offer, each if the Offer is 50% subscribed or 100% subscribed.

The below table assumes the Directors **take up** their entitlement in full under the Offer:

Name	Holding at the Record Date	% at the Record Date*	1 for 1 entitlement under the Offer	Holding if entitlement taken up	As % of total Shares on issue after the Offer (3,069,274,916 shares)	As % of total Shares on issue after the Offer (4,092,366,554 shares)
Andrew Knox	84,442,222	4.13%	84,442,222	168,884,444	5.50%	4.13%
Clinton Carey	51,544,933	2.52%	51,544,933	103,089,866	3.36%	2.52%
Adrien Wing	51,990,111	2.54%	51,990,111	103,980,222	3.39%	2.54%
TOTAL	187,977,266	9.19%	187,977,266	375,954,532	12.25%	9.19%

The below table assumes the Directors **do not take up** their entitlement under the Offer:

Name	Holding at the Record Date	% at the Record Date*	1 for 1 entitlement under the Offer	Holding if entitlement not taken up	As % of total Shares on issue after the Offer (3,069,274,916 shares)	As % of total Shares on issue after the Offer (4,092,366,554 shares)
Andrew Knox	84,442,222	4.13%	84,442,222	84,442,222	2.75%	2.06%
Clinton Carey	51,544,933	2.52%	51,544,933	51,544,933	1.68%	1.26%
Adrien Wing	51,990,111	2.54%	51,990,111	51,990,111	1.69%	1.27%
TOTAL	187,977,266	9.19%	187,977,266	187,977,266	6.12%	4.59%

Note to tables: Percentages are subject to rounding.

The interests in convertible securities and rights to shares of the Directors are set out below:

- Performance rights: Andrew Knox – 120,000,000; Clinton Carey – 10,000,000; Adrien Wing – 10,000,000.
- On 10 September 2018 shareholders approved the issue an aggregate of 30,000,000 ordinary shares to Andrew Knox (and/or his nominee(s)) upon the achievement of specific milestones as set out below:
 - 10,000,000 upon the volume weighted average price of the Company's shares over 14 consecutive days on which trades in the Company's shares are recorded meets or exceed \$0.006 (0.6 cents).
 - 10,000,000 upon the volume weighted average price of the Company's shares over 14 consecutive days on which trades in the Company's shares are recorded meets or exceed \$0.012 (1.2 cents).
 - 10,000,000 upon the volume weighted average price of the Company's shares over 14 consecutive days on which trades in the Company's shares are recorded meets or exceed \$0.024 (2.4 cents).

The shareholder approval to issue these shares lapses on 10 September 2021, being three (3) years after the date of receipt of shareholder approval.

6. FINANCIAL EFFECT OF THE OFFER

Approximately \$4 million will be raised if the Offer is fully subscribed. A lower amount will be raised if the Offer is not fully subscribed. An indicative use of the funds raised is set out in section 2.6.

If the Offer is fully subscribed then the cash reserves of the Company are anticipated to increase by approximately \$3.95 million, being \$4 million less the anticipated costs of the Offer of \$50,000. Cash reserves of the Company will be increased by a lower amount if the Offer is not fully subscribed. It is not anticipated the Offer will have a financial effect on the Company other than as set out in this section 6.

As at the date of this Offer Document, the Company has cash on hand of approximately \$62,000. Funds raised under the Offer will increase the cash reserves of the Company as set out above.

Other than by increasing the cash reserves of the Company as set out above and increasing the equity of the Company by a commensurate amount, the Offer is not otherwise anticipated to impact the financial position of the Company.

7. ASX QUOTATION AND DEFERRED SETTLEMENT TRADING

Application will be made to ASX for the official quotation of the New Shares to be issued under the Offer. If permission is not granted by the ASX for the official quotation of the New Shares to be issued under the Offer, ROG will repay, as soon as practicable, without interest, all application monies received pursuant to the Offer.

Trading of the shares will, subject to ASX approval, occur on or about the date specified in section 2.5.

ASX and its officers take no responsibility for the contents of this Offer Document. The fact that ASX may admit the New Shares to official quotation is not to be taken in any way as an indication of the merits of the Company or the New Shares offered under this Offer Document.

8. TAXATION IMPLICATIONS

The Directors do not consider it appropriate to give shareholders advice regarding the taxation consequences of subscribing for New Shares under the Offer. ROG, its advisers and its officers do not accept any responsibility or liability for any such taxation consequences to shareholders. As a result, shareholders should consult their professional tax adviser in connection with subscribing for New Shares under the Offer.

9. OVERSEAS SHAREHOLDERS

9.1. New Zealand

The Offer to New Zealand shareholders of the Company is being made pursuant to the Financial Markets Conduct (Incidental Offers) Exemption Notice 2016 (New Zealand).

This Offer Document has not been registered, filed with or approved by a New Zealand regulatory authority. This document is not an investment statement or prospectus under New Zealand law and is not required to, and may not, contain all the information that an investment statement or prospectus under New Zealand law is required to contain. The offer of securities to the ROG shareholders in New Zealand is made in compliance with relevant Australian laws.

9.2. Other countries

No offer is made to shareholders resident outside Australia and New Zealand. Details of the number of shares and entitlement to New Shares of holders in these other countries are set out in section 2.2.

ROG is of the view that it is unreasonable to make the Offer to shareholders outside of Australia and New Zealand having regard to:

- (a) the number of shareholders registered outside of Australia and New Zealand;
- (b) the number and value of securities to be offered to shareholders registered outside of Australia and New Zealand; and
- (c) the cost of complying with the legal requirements and requirements of regulatory authorities in overseas jurisdictions.

The Company is not required to make the Offer to non-qualifying foreign shareholders (shareholders with addresses on the company's register of members outside of Australia and New Zealand). New Shares that would otherwise have been offered to non-eligible shareholders will form part of the Shortfall.

Shareholders including custodians and nominees in eligible countries who hold shares for persons who are residents of other (non-eligible) countries are responsible for ensuring that the laws of the relevant other country or countries are complied with if accepting on behalf of another person. This Offer Document and the accompanying Entitlement and Acceptance Form do not, and are not intended to, constitute an offer of 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 to issue 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 any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws. Return of a duly completed Entitlement and Acceptance Form or payment will be taken by ROG to constitute a representation that there has been no breach of such requirements. The New Shares offered under this Offer Document have not been, and will not be, registered under the United States Securities Act of 1933 and should not be offered or sold within the USA. Any person accessing the electronic version of this Offer Document for the purpose of investing in the Company must only access it from within Australia and New Zealand.

10. GENERAL

The Entitlement and Acceptance Form does not need to be signed by the applicant. If an Entitlement and Acceptance Form is not completed correctly it may still be treated as valid. The Directors' decision as to whether to treat the acceptance as valid and how to construe, amend or complete the Entitlement and Acceptance Form is final.

The amount payable on acceptance or application will be deemed not to have been received until the Company is in receipt of cleared funds. Payments in cash will not be accepted. The company may reject an acceptance or application where payment of the applicable amount is not received or a cheque is not honoured, or without prejudice to its rights, issue shares in response to the acceptance or application and recover the outstanding amount from the recipient.

The Offer and any contract under it are governed by the applicable law of Victoria, Australia.

The information in this Offer Document does not constitute financial product advice. This Offer Document does not take into account the investment objectives, financial situation, tax position and particular needs of individual investors. Investors should obtain their own independent advice and consider the appropriateness of

the Offer of shares pursuant to this Offer Document, and risks associated with investing in the Company, having regard to their own objectives, financial situation, tax position and needs.

It is the responsibility of applicants to determine their allocation prior to trading in the shares. Applicants who sell shares before they receive their holding statements will do so at their own risk.

The Company seeks and engages in discussions on an ongoing basis in respect of potential opportunities for the establishment of new and the expansion of existing activities and business development opportunities. While the Company continues to seek and negotiate potential commercial opportunities in this respect, there is no certainty that any arrangement(s) will be finalised on particular terms, at a specific time, or at all. The Company will make further announcements in respect of any such discussions or negotiations in accordance with its disclosure obligations as developments occur. You can obtain the Company's announcements from the ASX website www2.asx.com.au under the code "ROG".

11. PRIVACY

ROG and its share registry collect information provided on an Entitlement and Acceptance Form for the purposes of processing the acceptances and applications and to administer security holdings in ROG.

By submitting an Entitlement and Acceptance Form, you agree that ROG and its share registry may use the information provided by an applicant on the Entitlement and Acceptance Form for the purposes in this privacy disclosure statement and may disclose it for those purposes to the Company's related bodies corporate, agents, contractors and third party service providers, including mailing houses and professional advisers, and to ASX and regulatory authorities.

If you do not provide the information required on the Entitlement and Acceptance Form, ROG may not be able to act on or process your acceptance or application. An applicant has a right to gain access to the information that ROG holds about that person subject to certain exemptions under law. A fee may be charged for access. Access requests must be made in writing to ROG's registered office.

12. ENQUIRIES

Enquiries concerning the Entitlement and Acceptance Form or how to accept your entitlement or apply for additional shares can be obtained by contacting Advanced Share Registry on 08 9389 8033 within Australia and +61 8 9389 8033 outside Australia.



Adrien Wing
Director and Joint Company Secretary
13 November 2020

ENTITLEMENT AND ACCEPTANCE FORM

THIS DOCUMENT IS IMPORTANT. IF YOU ARE IN DOUBT AS TO HOW TO DEAL WITH IT, PLEASE CONTACT YOUR STOCKBROKER OR LICENSED PROFESSIONAL ADVISER.

For a non-renounceable pro rata offer to Eligible Shareholders of 1 new Share for every Share held on the Record Date, at an issue price of \$0.002 per new Share to raise up to approximately \$4 million (before costs).

NON-RENOUNCEABLE ENTITLEMENT ISSUE CLOSING AT 5.00PM ADST ON 4 DECEMBER 2020.

To the Directors

RED SKY ENERGY LIMITED

1. I/We the above mentioned, being registered on 18 November 2020 as the holder(s) of ordinary shares in your Company hereby accept the below mentioned New Shares in accordance with the enclosed Prospectus;
2. I/We hereby authorise you to place my/our name(s) on the register of shareholders in respect of the number of New Shares allotted to me/us and;
3. I/We agree to be bound by the Constitution of the Company.

ENTITLEMENT			
(A)	(B)	(C)	(D)
Number of Shares applied for (being not more than the Entitlement shown above)	Number of additional Shares (if any) applied for (in excess of the Entitlement shown above)*	Total New Shares applied for	Amount Payable (C) * \$0.002
			AUD\$


METHOD OF ACCEPTANCE

You can apply for New Shares and make your payment utilising either cheque/bank draft or BPAY® (further details overleaf).

Please indicate which payment option you have chosen by marking the relevant box below.

<input type="checkbox"/>	Please enter cheque or bank draft details	Drawer	Bank	Branch	Amount
					\$

OR

<input type="checkbox"/>		You can pay by BPAY®. If you choose to pay by BPAY®, you do not need to return this Entitlement and Acceptance Form. Please refer overleaf for details.
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CONTACT DETAILS

Name:	
Telephone:	
Email:	

NOTE: Cheques should be made payable to "RED SKY ENERGY LIMITED", crossed "NOT NEGOTIABLE" and forwarded to Advanced Share Registry Ltd, PO Box 1156, Nedlands, Western Australia 6909 to arrive no later than 5:00 pm (ADST) on 4 December 2020.

PLEASE REFER OVERLEAF FOR INSTRUCTIONS

RED SKY ENERGY LIMITED

EXPLANATION OF ENTITLEMENT

1. The front of this form sets out the number of New Shares which you are entitled to accept.
2. Your Entitlement may be accepted either in full or in part. There is no minimum acceptance.
3. The price payable on acceptance of each New Share is \$0.002.
4. Please complete the Entitlement and Acceptance Form overleaf.

APPLICATION INSTRUCTIONS

Payment Details

You can apply for New Shares by utilising the payment options detailed below. There is no requirement to return this Entitlement and Acceptance Form if you are paying by BPAY®. By making your payment using either BPAY® or by cheque/bank draft, you confirm that you agree to all of the terms and conditions of the Red Sky Energy Limited Offers as outlined on this Entitlement and Acceptance Form and within the accompanying Prospectus.

Your cheque/bank draft should be made payable to "RED SKY ENERGY LIMITED" in Australian currency, crossed "NOT NEGOTIABLE" and drawn on an Australian branch of a financial institution. Please complete cheque/bank draft details overleaf and ensure that you submit the correct amount as incorrect payments may result in your Application being rejected.

Cheques will be processed on the day of receipt and as such, sufficient cleared funds must be held in your account as cheques returned unpaid may not be re-presented and may result in your Application being rejected. Paperclip (do not staple) your cheque(s)/bank draft(s) to the Entitlement and Acceptance Form. Cash will not be accepted. A receipt for payment will not be forwarded.

If the amount you pay is insufficient to pay for the number of New Shares you apply for, you will be taken to have applied for such lower number of New Shares as that amount will pay for, or your Application will be rejected.

If the amount you pay is more than the amount payable for your full Entitlement, you will be taken to have applied for New Shares under the Shortfall Offer, if there is a Shortfall. The Directors will at their discretion allot additional New Shares to Eligible Shareholders who apply for New Shares in excess of their full Entitlement under the Shortfall Offer if there is a Shortfall.

Contact Details

Please enter your contact details where requested overleaf. These details will only be used in the event that the Share Registry has a query regarding this Entitlement and Acceptance Form.

Lodgement of Application

If you are applying for New Shares and your payment is being made by BPAY®, you do not need to return this Entitlement and Acceptance Form however you are encouraged to return it to the Share Registry for reconciliation purposes – in that case you can post or send by facsimile (details below). Your payment must be received by no later than 5.00pm (ADST) on 4 December 2020. Applicants should be aware that their own financial institution may implement earlier cut off times with regard to electronic payment and should therefore take this into consideration when making payment. It is the responsibility of the Applicant to ensure that funds submitted through BPAY® are received by this time.

If you are paying by cheque/bank draft, your Application must be received by the Share Registry by no later than 5:00pm (ADST) on 4 December 2020. You should allow sufficient time for this to occur. Please return your Entitlement and Acceptance Form with cheque/bank draft attached.

Neither the Share Registry nor the Company accepts any responsibility if you lodge the Entitlement and Acceptance Form at any other address or by any other means.

Privacy Statement

Personal information is collected on this form by the Share Registry, as registrar for the securities' issuer, for the purpose of maintaining registers of securityholders, facilitating distribution payments and other corporate actions and communications. Your personal information may be disclosed to the Share Registry's related bodies corporate, to external service companies such as print or mail service providers, or as otherwise required or permitted by law. If you would like details of your personal information held by the Share Registry, or you would like to correct information that is inaccurate, incorrect or out of date, please contact the Share Registry. In accordance with the Corporations Act, you may be sent material (including marketing material) approved by the securities' issuer in addition to general corporate communications. You may elect not to receive marketing material by contacting the Share Registry, using the details provided on this form.

**If you have any enquiries concerning this Entitlement and Acceptance Form, please contact the Share Registry on
telephone +61 8 9389 8033 or fax +61 8 6370 4203.**



Telephone & Internet Banking – BPAY®

Call your bank, credit union or building society to make this payment from your cheque or savings account. More info: www.bpay.com.au.

By Mail

Red Sky Energy Limited
C/- Advanced Share Registry Ltd
PO Box 1156
Nedlands WA 6909

or

Hand Delivered

110 Stirling Highway
Nedlands WA 6009