



Market Announcements Platform
ASX Limited
Exchange Centre
20 Bridge Street
Sydney NSW 2000



ASX Code: CE1
(with effect from re-listing)

20 September 2017

Unmarketable Parcel Sale

The board of Calima Energy Limited (**Company**) is pleased to announce that it has received an offer to purchase all the unmarketable parcels of shares in the Company for \$0.055 per share (**Offer**).

The record date for the purposes of establishing holders of unmarketable parcels has been set at close of trade on Monday, 18 September 2017 (**Record Date**). An unmarketable parcel (which is a parcel of the Company's shares with a market value of less than \$500 on the Record Date) will be any shareholding of 8,928 shares or less.

As at the Record Date, over 650 of the Company's approximately 1,590 shareholders held unmarketable parcels, making up approximately 0.44% of the Company's fully paid ordinary shares on issue. The price that holders of unmarketable parcels will receive under the Offer (being \$0.055 per share) is equal to the simple average of the last sale prices of the Company's shares for each of the ten trading days immediately preceding the date of the Offer.

Holders of unmarketable parcels (determined as at the Record Date) who elect not to retain their shareholding will sell their shares in the Company pursuant to the Offer without having to use a broker or pay a brokerage. The Company will organise payment of all the costs of sale for those shareholders who take advantage of the Offer (although tax consequences from the sale will be the shareholder's responsibility).

A summary of the key dates in relation to the unmarketable parcel sale are as follows:

EVENT	DATE
Unmarketable parcel Record Date	18 September 2017
Offer received	19 September 2017
Unmarketable parcel announcement to ASX	20 September 2017
Letters sent to unmarketable parcel holders	20 September 2017
Notice of intent to sell unmarketable parcels sent to unmarketable parcel holders and CHESS controlling participants	25 October 2017
Closing Date for receipt of share retention forms	01 November 2017

Attached is a copy of the pro forma letter which will be dispatched to shareholders with an unmarketable parcel of the Company's shares on the Record Date.

If you have any questions in relation to the Offer, please call your broker, accountant or professional adviser. If you require information on how to complete the share retention form, please contact the Company on +61 8 9380 8333.

For further information visit www.calimaenergy.com or contact:

Calima Energy Limited

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Jonathan Taylor

Technical Director

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ABN 17 117 227 086

Return your Form to the Company's
share registry:



By Mail:

Computershare Investor Services Pty Limited
GPO Box 52
Melbourne Victoria 3001
Australia

For all enquiries:

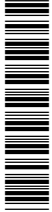
Phone:



Calima Energy Limited (08) 9380 8333

CE1

MR SAM SAMPLE
UNIT 123
SAMPLE STREET
SAMPLETOWN NSW 2001



Share Retention Form

 **If you wish to retain your shares, your form must be received by Wednesday, 1 November 2017**

This is an important document that requires your immediate attention. It can only be used in relation to the shareholding represented by the details printed overleaf. If you are in doubt about how to deal with this form, please contact your financial or other professional adviser.

Step 1: Shareholding Details

Use this form if you wish to retain your shares in Calima Energy Limited. If you have recently bought or sold shares your shareholding may differ from that shown. If you have already sold all your shares in Calima Energy Limited, do not complete or return this form. If you have more than one shareholding on Calima Energy Limited's register and you do not wish to sell your shares under the Small Shareholding Sale Facility, you should consider consolidating them. For further advice on how to do this, contact Computershare Investor Services Pty Limited (CIS) on the number above.

Please check the details provided and update your address via www.investorcentre.com if any of the details are incorrect.

If you have a CHESS sponsored shareholding, please contact your Controlling Participant to notify a change of address.

Step 2: Signing Instructions

Individual: Where the shareholding is in one name, the shareholder must sign.

Joint Shareholding: Where the shareholding is in more than one name, all of the shareholders must sign.

Power of Attorney: Where signing as Power of Attorney (POA), you must attach an original certified copy of the POA to this form.

Companies: Where the shareholding is in the name of a Company, this form must be signed in accordance with the Corporations Act, either as:

- a Sole Director and Sole Company Secretary **OR** a Sole Director (if no Company Secretary exists), **OR**
- two Directors, **OR**
- a Director and Secretary.

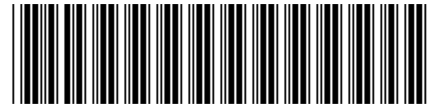
Overseas Companies: Where the shareholding is in the name of an Overseas company (companies incorporated outside Australia) the form must be signed as above, or documentation must be provided showing that the company can sign in an alternate manner.

Deceased Estate: Where the shareholding is in the name of a deceased estate, all executors must sign; and a certified copy or original, of the required documentation must accompany this form. Details of the documentation required can be found by searching "deceased estates" on our website www.computershare.com or by calling Computershare Investor Services Pty Limited on 1300 850 505 or +61 3 9415 4000. If the shareholding is in more than one name the surviving shareholder may sign the form and return it together with a certified copy of the death certificate of the other joint shareholder.

Step 3: Contact Details

Entering contact details is not compulsory, but will assist us if we need to contact you.

Turn over to complete the form →



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Share Retention Form

For your security keep your SRN/
HIN confidential.

STEP 1 Shareholding Details

MR SAM SAMPLE
UNIT 123
SAMPLE STREET
SAMPLETOWN NSW 2001



Change of address. If incorrect, mark this box and make the correction in the space to the left. Shareholders sponsored by a broker (reference number commences with 'X') should advise their broker of any changes.

Shares held as at 18 September 2017:

2000

STEP 2 Signature of Shareholder(s) *This section must be completed.*

By signing and returning this form, in accordance with the requirements set out in 'Step 2: Signing Instructions' overleaf, I/we confirm that I/we understand that my/our **SHARES WILL NOT BE SOLD** under the Small Shareholding Sale Facility.

Individual or Shareholder 1

Sole Director and Sole Company Secretary/
Sole Director (cross out titles as applicable)

Shareholder 2

Director

Shareholder 3

Director/Company Secretary
(cross out titles as applicable)

STEP 3 Contact Details

Contact Name _____ Contact Daytime Telephone _____ Date / /

Email Address _____

Privacy Notice

The personal information you provide on this form is collected by Computershare Investor Services Pty Limited (CIS), as registrar for the securities issuers (the issuer), for the purpose of maintaining registers of securityholders, facilitating distribution payments and other corporate actions and communications. In addition, the issuer may authorise us on their behalf to send you marketing material or include such material in a corporate communication. You may elect not to receive marketing material by contacting CIS using the details provided above or emailing privacy@computershare.com.au. We may be required to collect your personal information under the Corporations Act 2001 (Cth) and ASX Settlement Operating Rules. We may disclose your personal information to our related bodies corporate and to other individuals or companies who assist us in supplying our services or who perform functions on our behalf, to the issuer for whom we maintain securities registers or to third parties upon direction by the issuer where related to the issuer's administration of your securityholding, or as otherwise required or authorised by law. Some of these recipients may be located outside Australia, including in the following countries: Canada, India, New Zealand, the Philippines, the United Kingdom and the United States of America. For further details, including how to access and correct your personal information, and information on our privacy complaints handling procedure, please contact our Privacy Officer at privacy@computershare.com.au or see our Privacy Policy at <http://www.computershare.com/au>.

Dear Shareholder

Sale of Your Unmarketable Parcel of Calima Energy Limited Shares

The board of Calima Energy Limited (**Company**) is pleased to announce that it has received an offer to purchase all the unmarketable parcels of shares in the Company for \$0.055 per share (**Offer**).

The Record Date for the purposes of establishing holders of unmarketable parcels has been set at close of trade on Monday, 18 September 2017 (**Record Date**). An unmarketable parcel is a parcel of the Company's shares with a market value of less than \$500 as at close of trade on the Record Date (**Unmarketable Parcels**) as such a holding is not capable of being sold on market. Based on the closing price of \$0.056 per share (**Closing Price**) on the Record Date, an Unmarketable Parcel is a holding of 8,928 or less shares.

As at the Record Date, over 650 of the Company's approximately 1,590 shareholders held Unmarketable Parcels, making up approximately 0.44% of the Company's fully paid ordinary shares on issue. Our records show that you held an Unmarketable Parcel based on the Closing Price on the Record Date and accordingly your shareholding is eligible to participate in the Offer.

The price that holders of Unmarketable Parcels will receive under the Offer is \$0.055 per share, such price being equal to the simple average of the last sale prices of the Company's shares for each of the ten trading days immediately preceding the date of the Offer.

Holders of Unmarketable Parcels who DO NOT elect to retain their shareholding will sell their shares in the Company pursuant to the Offer without having to use a broker or pay a brokerage. The Company will organise payment of all the costs of sale for those shareholders who take advantage of the Offer (although tax consequences from the sale will be the shareholder's responsibility).

Unless you advise the Company that you DO NOT wish to sell your shares by 5:00pm (WST) on 1 November 2017 the Company intends to sell your shares pursuant to the Offer in accordance with Clause 3 of the Company's Constitution and the ASX Listing Rules. Payment will be sent to you as soon as is practicable following settlement of the sale and in any event within 14 days of the sale.

KEY DATES

EVENT	DATE
Unmarketable parcel Record Date	18 September 2017
Offer received	19 September 2017
Unmarketable parcel announcement to ASX	20 September 2017
Letters and sent Unmarketable Parcel holders	20 September 2017
Notice of intent to sell Unmarketable Parcels sent to holders and CHESS controlling participants	25 October 2017
Closing Date for receipt of share retention form	1 November 2017

Calima Energy Ltd ACN 117 227 086
 1A/1 Alvan St, Subiaco Perth WA 6008: +61 8 6500 3270 Fax: + 61 8 6500 3275
 Email: info@calimaenergy.com.au www.calimaenergy.com.au

WHAT SHOULD YOU DO?

To retain your shareholding (ie, if you do NOT wish to sell your shares pursuant to the Offer), you must correctly complete and return the attached share retention form (**Share Retention Form**) to the address on the form so that it is received by no later than 5:00pm (WST) on 25 October 2017. Please read the instructions on your personalised Share Retention Form carefully before completing it.

A second notice with an accompanying Share Retention Form will be sent to shareholders holding Unmarketable Parcels who have not returned a Share Retention Form prior to that date. That notice and its accompanying Share Retention Form will provide shareholders holding Unmarketable Parcels with a further opportunity to consider whether they wish to retain their shares. Shareholders will have five business days (ie, until 1 November 2017) to respond to the second notice after which the Company will sell the shares classified as Unmarketable Parcels.

If you do not take any action before the Closing Date your shares will be sold (ie, if you WANT to sell your shares pursuant to the Offer, you do not need to take any action).

By refraining from taking any action, after the expiration of the time prescribed in the ASX Listing Rules and the Company's Constitution, you will be deemed to have irrevocably appointed the Company as your agent:

- (a) to sell your Unmarketable Parcel pursuant to the Offer and without any transaction costs being incurred by you;
- (b) to deal with the proceeds of the sale as set out below; and
- (c) where all of your shares are CHESS approved securities (in accordance with the Company's Constitution) held in uncertificated form, to initiate a Holding Adjustment (as defined in the ASX Operating Rules) to move your shares from the CHESS Holding (as defined in the ASX Operating Rules) to an Issuer Sponsored or Certificated Holding (as defined in the ASX Operating Rules) for the sale of your securities.

Payment will be sent to as soon as is practical following settlement of the sale pursuant to the Offer and in any event within 14 days of the sale. Payment will be made in Australian dollars by cheque mailed to your address in the share register. In the case where your whereabouts are unknown, the proceeds of the sale will be applied in accordance with the applicable laws dealing with unclaimed moneys.

IMPORTANT INFORMATION

The Company reserves the right to change any of the dates referred to in this letter by notice to the ASX. This letter does not constitute advice nor a recommendation to buy, sell or hold shares or that the Offer is the best way to sell the Company's shares. If you are in any doubt about what to do, you should consult your legal, financial or taxation adviser.

The price that you will receive for your shares under the Offer is \$ 0.055 per share, such price being equal to the simple average of the last sale prices of the Company's shares for each of the ten trading days immediately preceding the date of the Offer. The last sale price of the Company's shares on 18 September 2017 was A\$0.056. The share price

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changes frequently and more recent prices are available in newspapers and from the ASX website (www.asx.com.au) under the ASX code 'CE1'.

As you have an Unmarketable Parcel as at the Record Date, then unless you take the required action before the Closing Date your shares will be sold pursuant to the Offer.

If you need help deciding what to do, or if you require information regarding the financial, legal or tax consequences of selling your shares pursuant to the Offer you should consult your legal, financial or taxation adviser. You can also contact the Company on (08) 9380 8333 from 8.30am to 5.00pm (Perth time), Monday to Friday, if you have any queries about the Offer or lodging the forms accompanying this letter.

Yours Sincerely



Neil Hackett
Non-Executive Director and Company Secretary
Calima Energy Limited