



WORLD OIL RESOURCES LTD

(ASX: WLR)

12 June 2014

Pro-Rata Non-Renounceable Rights Issue

- 1-for-1.5 pro-rata non-renounceable Rights Issue at an issue price of \$0.003 (0.3 cents) per share
- Rights Issue to raise up to \$1,553,506
- Proceeds to provide general working capital, to enable the Company to focus on further assessing the viability of its projects in the USA and to enable the Company to acquire further interests.

Overview of the Offer

World Oil Resources Limited (**World Oil** or the **Company**) is pleased to announce a pro-rata non-renounceable rights issue offer of ordinary shares in the Company (**Shares**) on a 1-for-1.5 basis at an issue price of \$0.003 per Share (**Rights Issue** or **Offer**). The Offer will be made to holders of Shares in the Company with a registered address in Australia or New Zealand as at 7:00pm (Melbourne time) on Thursday 19 June 2014 (**Record Date**) (**Eligible Shareholders**).

Pursuant to the Rights Issue, which offers Eligible Shareholders the right to take up 1 new Share for every 1.5 Shares held as at the Record Date (**Entitlement**), the Company will issue up to 517,835,371 new Shares at an issue price of \$0.003 each, to raise up to \$1,553,506 (before costs).

The Entitlement to subscribe for New Shares under the Offer will be non-renounceable.

The Offer is to not underwritten; however there will be a shortfall facility which will enable Eligible Shareholders to subscribe for new Shares in excess of their full Entitlement (**Shortfall Facility**). In the event that, following the close of the Offer a shortfall remains after additional Shares are issued under the Shortfall Facility, the Directors reserve the right to place such shortfall Shares at their discretion with persons interested in subscribing for Shares in the Company within 3 months of the close of the Offer (**Shortfall Placement**).

The New Shares issued under the Offer will be fully paid ordinary shares and will rank equally with the Company's existing Shares on issue. The Company will make an application to the ASX for official quotation of the New Shares.

An Offer Document in relation to the Offer will be lodged with ASX and despatched to Eligible Shareholders in accordance with the timetable below.

Eligibility to participate

The Offer will only be made to Eligible Shareholders.



The Company has determined that it would be unreasonable to extend the Offer to shareholders with a registered address outside Australia or New Zealand as at the Record Date (**Ineligible Shareholders**) having regard to:

- the small number of shareholders with addresses in such other countries;
- the number and value of the shares they hold; and
- the cost to the Company of complying with applicable legal and regulatory requirements in such other countries.

Accordingly, the Offer is not being extended to, and does not qualify for distribution or sale by or to, and no New Shares will be issued to Ineligible Shareholders.

Treatment of Ineligible Shareholders

The Company has, pursuant to ASIC approval, appointed Cygnet Securities Australia Pty Ltd (ACN 082 117 931) (AFSL 241 095) (**Cygnet**) to act as nominee for Ineligible Shareholders for the purposes of section 615 of the *Corporations Act 2001* (Cth) (the **Act**). The nominee sale procedure, which will be operated by Cygnet Capital Pty Ltd (ACN 103 488 606), the corporate authorised representative of Cygnet (**Nominee**), will be implemented as follows:

- the Company will, at the Offer price of \$0.003 per Share, issue to the Nominee the new Shares that Ineligible Shareholders would be entitled to if they were eligible to participate in the Offer (**Nominee Shares**);
- the Nominee will then sell the Nominee Shares at a price and otherwise in a manner determined by the Nominee in its sole discretion; and
- the net proceeds of the sale of the Nominee Shares (after deducting the aggregate subscription price of the Nominee Shares and costs), if any, will be distributed to the Ineligible Shareholders for whose benefit the new Shares are sold in proportion to their shareholdings as at the Record Date.

If any such net proceeds of sale are less than the reasonable costs that would be incurred by the Company for distributing those proceeds, such proceeds may be retained by the Company. Accordingly there is a possibility that Ineligible Shareholders may receive no net proceeds if the subscription price plus costs of the sale of the Nominee Shares are greater than the sale proceeds. The Company, Cygnet and the Nominee will not be held liable for the sale of any the Nominee Shares at any particular price or the timing of such sale.

Number of Shares to be issued

The number of issued Shares at the date of this announcement and the maximum total number of issued Shares following the Offer are as follows:

Event	Number of Shares
Shares on issue at date of Offer Document	776,753,056
New Shares issued pursuant to the Rights Issue Offer	517,835,371
Total Shares on issue after completion of the Offer	1,294,588,427

**Purpose of Offer**

World Oil is making the Offer to raise funds. After payment of the costs and expenses of the Offer, the Company expects to apply the proceeds from the Rights Issue in accordance with the table below, which assumes that the Rights Issue is fully subscribed and maximum funds \$1,553,506 are raised under the Rights Issue.

Expenditure item	Amount (\$)
Payment for Puma Prospect option *	230,000
Klick East Oil Field	100,000
Welch-Bornholdt Wherry Oil Fields	200,000
Mount Outlook Prospect (Morrison Oil Fields)	250,000
Remaining funds: Working Capital Commitments	773,506
TOTAL	1,553,506

* The Company is currently in negotiations with the vendors of the Puma prospect for an extension of the option to acquire this project. If the option is not extended, the Company will use the funds for working capital purposes.

Offer timetable

EVENT	DATE (2014)
Announcement of the Offer	12 June
Lodgement of the following documents with ASX: <ul style="list-style-type: none"> an Appendix 3B; this Offer Document; and a cleansing notice under section 708AA(2)(f) of the Corporations Act 	12 June
Notice sent to Shareholders containing ASX Appendix 3B details and indicative timetable	16 June
“Ex” date where the Company’s existing shares will commence trading without the entitlement to participate in the Offer	17 June
Record date to determine Entitlements under the Offer	7.00pm (Melbourne time) 19 June
Opening Date for the Rights Issue	23 June
Mailing of Offer Document and Entitlement and Acceptance Form to Eligible Shareholders	
Closing Date for the Rights Issue	5.00pm (Melbourne time) 14 July
Shares quoted on a deferred settlement basis	15 July
ASX notified of under subscriptions	17 July
New Shares for which valid applications have been received and accepted by the Company will be issued	21 July
Deferred settlement trading ends	21 July
Normal trading of New Shares on ASX expected to commence	22 July
Mail out of holding statements for the New Shares	22 July



This timetable is indicative only and subject to change. Subject to the *Corporations Act 2001 (Cth)* (**Corporations Act**) and the ASX Listing Rules, the Board reserves the right to vary these dates, including the closing date of the Offer, without prior notice.

The Company also reserves the right not to proceed with the whole or part of the Offer at any time prior to the issue date. In that event, application monies will be refunded in full without interest.

Full details of the terms and conditions of the Offer will be contained in the Offer Document to be lodged with ASX and despatched to Eligible Shareholders in accordance with the timetable set out above.

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For further information, please contact:

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