

27 April 2020

RESPONSE TO 88 ENERGY'S ANNOUNCEMENT OF AN UNSOLICITED OFFER FOR THE COMPANY

XCD Energy Limited (ASX:XCD) ("XCD Energy or the "Company") notes today's announcement from 88 Energy Limited (ASX:88E) (**88 Energy**) of its intention to make an unsolicited offer for 100% of the shares in XCD Energy for consideration of:

- 1.67 88 Energy shares for every 1 XCD Energy share held: and
- 0.5 of an 88 Energy share for every 1 XCD Energy quoted option held (**Offer**).

XCD Energy notes it received a non-binding, indicative proposal from 88 Energy with regards to the Offer late afternoon on Friday, 24 April 2020.

XCD Energy is considering its response to 88 Energy and notes the Offer is subject to a number of conditions including a 90% minimum acceptance condition, no material adverse changes, absence of third party rights on a change of control, no regulatory action or interference, no material acquisitions or disposals and no prescribed occurrences.

The XCD Energy Board is currently giving careful consideration to the detail of the Offer including the conditions. The XCD Board has not had the opportunity to fully consider the Offer and the details of its terms and conditions so makes no comment or recommendation on the same.

XCD Energy has been engaging with 88 Energy over the course of the weekend since receipt of the proposal late on Friday afternoon and will keep investors informed of all material developments relating to the Offer.

Accordingly, the XCD Board advises shareholders at this time to **TAKE NO ACTION and await the XCD Board's formal response to the Offer including the directors' recommendation.**

The XCD Energy board remains fully committed to acting in the best interests of, and maximising value for, XCD Energy shareholders.

XCD Energy is being advised by GTP Legal.

For further information, please contact:

Dougal Ferguson
Managing Director
+61 (8) 9381 4975

For further information on XCD Energy, please visit the Company's website at www.xcdenergy.com.

This ASX announcement was approved and authorized for release by XCD Energy's Board of Directors.