

INVICTUS ENERGY LTD

ACN 150 956 773

PROSPECTUS

For the offers of:

- (a) 20,000,000 Shares at an issue price of \$0.10 per Share to Eligible Shareholders, together with one free Option, exercisable at \$0.14 on or before 31 January 2025, for every 2 Shares subscribed for by (and issued to) Eligible Shareholders under the SPP, to raise \$2,000,000. Oversubscriptions up to a further 10,000,000 Shares and 5,000,000 Options may be accepted to raise up to a further \$1,000,000 (**SPP Offer**); and
 - (b) 17,500,000 Options, exercisable at \$0.14 on or before 31 January 2025, to participants in the Placement, on the basis of one Option for every two Shares subscribed for and issued to the participants under the Placement (**Placement Options Offer**); and
 - (c) 4,375,000 Options, exercisable at \$0.14 on or before 31 January 2025, to the Lead Manager (**Broker Offer**),
- (together, the **Offers**).

SECURITY PURCHASE PLAN INFORMATION

The SPP Offer is currently scheduled to close at 2:00pm (WST) on 27 January 2022. Valid applications must be received by that time. Details of how to apply for Securities are set out in the SPP Application Form accompanying this Prospectus.

IMPORTANT NOTICE

This document is important and should be read in its entirety. If after reading this Prospectus you have any questions about the Securities being offered under this Prospectus or any other matter, then you should consult your stockbroker, accountant or other professional adviser. The Securities offered under this Prospectus should be considered speculative.

Legal advisor to the Offers

STEINEPREIS PAGANIN
Lawyers & Consultants 

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1. CORPORATE DIRECTORY

Directors

Dr Stuart Lake
Non-Executive Chair

Joe Mutizwa
Deputy Chair and Non-Executive
Director

Scott Macmillan
Managing Director

Gabriel Chiappini
Non-Executive Director

Company Secretary

Gabriel Chiappini

ASX Code

IVZ

Registered Office

Level 1, 10 Outram Street
WEST PERTH WA 6005

Telephone: +61 8 6102 5055

Email: info@invictusenergy.com
Website: www.invictusenergy.com

Share Registry*

Link Market Services
Level 12, QV1 Building
250 St Georges Terrace
PERTH WA 6000

Lawyers

Steinepreis Paganin
Lawyers and Consultants
Level 4, The Read Buildings
16 Milligan Street
PERTH WA 6000

Auditors

BDO Audit (WA) Pty Ltd
Level 9, Mia Yellagonga Tower 2
5 Spring Street
PERTH WA 6000

Lead Manager to the Placement*

PAC Partners Securities Pty Ltd
(ACN 623 653 912) (AFSL: 335 374)
Level 10, 330 Collins Street,
MELBOURNE VIC 3000

* These entities have not been involved in the preparation of this Prospectus and have not consented to being named in this Prospectus. Their names are included for information purposes only.

2. TIMETABLE AND IMPORTANT NOTES

2.1 Timetable

Action	Date*
Record Date of SPP	24 December 2021
Announcement of SPP and Placement	29 December 2021
Issue of Shares under the Placement	6 January 2022
Lodgement of Prospectus with the ASIC and ASX	10 January 2022
Opening Date of Offers under the Prospectus	10 January 2022
Closing Date of Placement Options Offer and the Broker Offer	11 January 2022
Issue of Options under the Placement Options Offer and Broker Offer	12 January 2022
Closing Date of the SPP Offer and announcement of the results of the Offers**	27 January 2022
Issue of Securities under the SPP Offer	2 February 2022

* These dates are indicative only and may change without prior notice.

** Subscribers under the Offers should ensure that they have lodged their Application Form by this date.

2.2 Important Notes

This Prospectus is dated 10 January 2022 and was lodged with the ASIC on that date. The ASIC, the ASX and their officers take no responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates.

No Securities may be issued on the basis of this Prospectus later than 13 months after the date of this Prospectus.

Applications for Securities offered pursuant to this Prospectus can only be submitted on an original Application Form which accompanies this Prospectus.

This Prospectus is a transaction specific prospectus for an offer of continuously quoted securities (as defined in the Corporations Act) and has been prepared in accordance with section 713 of the Corporations Act. It does not contain the same level of disclosure as an initial public offering prospectus. In making representations in this Prospectus regard has been had to the fact that the Company is a disclosing entity for the purposes of the Corporations Act and certain matters may reasonably be expected to be known to investors and professional advisers whom potential investors may consult.

2.3 ASIC Instrument

In certain circumstances, a listed company may undertake a share purchase plan in accordance with ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547 (**ASIC Instrument**). The ASIC Instrument allows a share purchase plan to be conducted without the use of a prospectus once in any consecutive 12-month period.

The ASIC Instrument only applies to the offer of securities under a share purchase plan where a company's securities have not been suspended from quotation on ASX for more than a total of five days during the shorter of:

- (a) the period during which the class was quoted; and
- (b) the period of 12 months before the day on which the offer is made.

As the Company's securities were suspended from quotation for more than five days in the previous 12 months, the Company is unable to rely on the relief granted by the ASIC Instrument and, therefore, is undertaking the security purchase plan (**SPP**) under this Prospectus.

2.4 Target Market Determination

In accordance with the design and distribution obligations under the Corporations Act, the Company has determined the target market for the offer of Options issued under this Prospectus. The Company will only distribute this Prospectus to those investors who fall within the target market determination (**TMD**) as set out on the Company's website (www.invictusenergy.com). By making an application under the Offers, you warrant that you have read and understood the TMD and that you fall within the target market set out in the TMD.

2.5 Web Site – Electronic Prospectus

A copy of this Prospectus can be downloaded from the website of the Company at www.invictusenergy.com. If you are accessing the electronic version of this Prospectus for the purpose of making an investment in the Company, you must be an Australian resident and must only access this Prospectus from within Australia.

The Corporations Act prohibits any person passing onto another person an Application Form unless it is attached to a hard copy of this Prospectus or it accompanies the complete and unaltered version of this Prospectus. Any person may obtain a hard copy of this Prospectus free of charge by contacting the Company.

The Company reserves the right not to accept an Application Form from a person if it has reason to believe that when that person was given access to the electronic Application Form, it was not provided together with the electronic Prospectus and any relevant supplementary or replacement prospectus or any of those documents were incomplete or altered.

2.6 Risk Factors

Potential investors should be aware that subscribing for Shares in the Company involves a number of risks. The key risk factors of which investors should be aware are set out in Section 7 of this Prospectus. These risks together with other general risks applicable to all investments in listed securities not specifically referred to, may affect the value of the Shares in the future. Accordingly, an investment in the Company should be considered highly speculative. Investors should consider consulting their professional advisers before deciding whether to apply for Shares pursuant to this Prospectus.

2.7 Overseas Investors

The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law and therefore persons into whose possession this document comes should

seek advice on and observe any such restrictions. Any failure to comply with these restrictions constitutes a violation of those laws. This Prospectus does not constitute an offer of Shares in any jurisdiction where, or to any person to whom, it would be unlawful to issue in this Prospectus.

2.8 Forward-looking statements

This Prospectus contains forward-looking statements which are identified by words such as 'may', 'could', 'believes', 'estimates', 'targets', 'expects', or 'intends' and other similar words that involve risks and uncertainties.

These statements are based on an assessment of present economic and operating conditions, and on a number of assumptions regarding future events and actions that, as at the date of this Prospectus, are expected to take place.

Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of our Company, the Directors and our management.

We cannot and do not give any assurance that the results, performance or achievements expressed or implied by the forward-looking statements contained in this prospectus will actually occur and investors are cautioned not to place undue reliance on these forward-looking statements.

We have no intention to update or revise forward-looking statements, or to publish prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained in this prospectus, except where required by law.

These forward looking statements are subject to various risk factors that could cause our actual results to differ materially from the results expressed or anticipated in these statements. These risk factors are set out in Section 7 of this Prospectus.

2.9 Disclaimer

No person is authorised to give any information or to make any representation in connection with the Offers described in this Prospectus which is not contained in this Prospectus. Any information not so contained may not be relied upon as having been authorised by the Company or any other person in connection with the Offers. You should rely only on information in this Prospectus.

2.10 Investment Advice

This Prospectus does not provide investment advice and has been prepared without taking account of your financial objectives, financial situation or particular needs (including financial or taxation issues). You should seek professional investment advice before subscribing for securities under this Prospectus.

3. BACKGROUND TO THE OFFERS

3.1 Overview

The Company announced on 29 December 2021 that it would issue 35,000,000 placement Shares to professional and sophisticated investors at an issue price of \$0.10 per Share raise \$3,500,000 (**Placement**). The Company issued the Shares to complete the Placement on 6 January 2022 by issuing 35,000,000 Shares pursuant to the Company's existing placement capacity under ASX Listing Rule 7.1A.

The Placement includes the issue of 17,500,000 free Options, being one free Option for every two Shares subscribed for and issued pursuant to the Placement. The issue of the Options is the subject of the Placement Options Offer under this Prospectus.

In addition to the Placement, the Company is undertaking the SPP Offer to Eligible Shareholders (as detailed below), to raise \$2,000,000 to enable Eligible Shareholders to participate in the capital raising.

3.2 The Offers

3.2.1 Background to the Share Purchase Plan

As announced on 29 December 2021 the Company is offering Shareholders who were registered as holders of Shares at 5:00pm (WST) on 24 December 2021 (the **Record Date**) and whose registered address is in Australia or New Zealand (**Eligible Shareholders**) the opportunity to subscribe for a maximum of \$30,000 worth of new Shares at an issue price of \$0.10 per Share, to raise \$2,000,000 (before costs) under the Company's SPP. Oversubscriptions up to a further \$1,000,000 may be accepted, at the discretion of the Directors, under the SPP.

The Price represents a 13.0% discount to last closing price of Invictus shares prior to the placement and SPP announcement (22 December 2021) and a 14.1% discount to the 5-day VWAP (VWAP) prior to that date.

The Company has also agreed to offer Eligible Shareholders who participate in the SPP one Option for every two Shares subscribed for and issued under the SPP (refer to Section 6.1 for the terms and conditions of the Options).

The Securities offered under the SPP Offer are being offered pursuant to this Prospectus. Further details in respect of the SPP Offer are set out in Sections 4.1 and 5.1.

3.3 Background to the Placement and the Placement Options Offer

As set out above, the Company has issued 35,000,000 Shares on 6 January 2022 to professional and sophisticated investors at an issue price of \$0.10 per Share to raise approximately \$3,500,000 pursuant to the Placement. The Company issued the Placement Shares pursuant to the Company's existing placement capacity under ASX Listing Rule 7.1A.

The Company has also agreed to issue participants in the Placement one Option for every two Shares subscribed for and issued under the Placement (refer to Section 6.1 for the terms and conditions of the Options).

The Options are being offered under the Placement Options Offer pursuant to this Prospectus, and will be issued under the Company's existing placement capacity under ASX Listing Rule 7.1.

4. DETAILS OF THE OFFERS

4.1 The Offers

4.1.1 The SPP Offer

The SPP Offer is an offer to each Eligible Shareholder to subscribe for a maximum of \$30,000 worth of new Shares at an issue price of \$0.10 per Share, together with one SPP Option for every two SPP Shares subscribed for and issued. Fractional entitlements will be rounded down to the nearest whole number.

The Company will issue the SPP Shares pursuant to ASX Listing Rule 7.2, Exception 5 and, accordingly:

- (a) the total number of Shares issued under the SPP will not equate to more than 30% of Shares on issue at the issue date of the Shares; and
- (b) the issue price of the SPP Shares (being \$0.10 per Share) is equal to or greater than 80% of the VWAP of Shares for the five days in which trading in the Shares occurred before the date of the announcement of the SPP Offer.

All of the Shares offered under the SPP Offer pursuant to this Prospectus will rank equally with the Shares on issue at the date of this Prospectus. Please refer to Section 6.2 for further information regarding the rights and liabilities attaching to the Shares.

The Options offered under the SPP Offer pursuant to this Prospectus will be exercisable at \$0.14 each on or before 5:00 pm (WST) 31 January 2025 and otherwise on the terms set out in Section 6.1. All of the Shares issued upon exercise of the Options will rank equally with the Shares on issue at the date of this Prospectus. Please refer to Section 6.2 for further information regarding the rights and liabilities attaching to the Shares.

The purpose of the SPP Offer is set out in Section 5.1. The SPP Offer is non-renounceable, which means that Eligible Shareholders may not transfer their rights to any Securities offered under the SPP Offer.

4.1.2 The Placement Options Offer

The Placement Options Offer is an offer of one Option for every two Shares subscribed for and issued under the Placement. Fractional entitlements will be rounded down to the nearest whole number.

Based on the number of Shares issued under the Placement, approximately 17,500,000 Options may be issued under the Placement Options Offer. No funds will be raised from the issue of the Options.

The Options will be exercisable at \$0.14 each on or before 5:00 pm (WST) on 31 January 2025 and otherwise on the terms set out in Section 6.1. All of the Shares issued upon exercise of the Options will rank equally with the Shares on issue at the date of this Prospectus. Please refer to Section 6.2 for further information regarding the rights and liabilities attaching to the Shares.

4.1.3 The Broker Offer

The Broker Offer is an offer of 4,375,000 Options that is only capable of being accepted by the Lead Manager.

4.2 Eligibility to participate in SPP Offer

Only Eligible Shareholders may participate in the SPP Offer. 'Eligible Shareholders' for the purpose of the SPP Offer are Shareholders:

- (a) who were registered holders of Shares on the Record Date; and
- (b) whose registered address was in Australia or New Zealand.

If you are the only registered Shareholder of a holding of Shares, but you receive more than one SPP Offer (for example because you hold Shares in more than one capacity), you may only apply for one parcel of Shares with a value of up to \$30,000. The Company reserves the right to reject any application for Shares under this Prospectus to the extent it considers that the application (whether alone or in conjunction with other applications) does not comply with these requirements.

In the event of oversubscriptions by the SPP Closing Date, the Directors may, in their absolute discretion, scale-back applications on an equitable basis. Directors may also, in their absolute discretion, decide to increase acceptances in the event of oversubscriptions. Participation in the SPP Offer is optional and is subject to the terms and conditions set out in this Prospectus.

4.3 Minimum subscription

There is no minimum subscription to the Offers.

4.4 Not underwritten

The Offers are not underwritten.

4.5 Lead Manager

There is no lead manager in relation to the SPP Offer. However, PAC Partners Securities Pty Ltd (ACN 623 653 912) (AFSL: 335 374) (**Lead Manager**) acted as lead manager to the Placement and was paid a fee of 6% of funds raised under Placement. In addition, the Company will be offering 4,375,000 Options to the Lead Manager under the Broker Offer. The Options will be exercisable at \$0.14 each on or before 5:00 pm (WST) on 31 January 2025 and otherwise on the terms set out in Section 6.1. All of the Shares issued upon exercise of the Options will rank equally with the Shares on issue at the date of this Prospectus. Please refer to Section 6.2 for further information regarding the rights and liabilities attaching to the Shares.

4.6 Applications

Securities under the SPP Offer

Eligible Shareholders may apply under the SPP Offer by completing the SPP Application Form accompanying this Prospectus in accordance with the instructions outlined on the SPP Application Form.

Pursuant to the SPP Offer, Eligible Shareholders may apply for a maximum of \$30,000 worth of Shares. Eligible Shareholders may participate by selecting one of the following options to purchase Shares under the SPP Offer:

	SPP Application Amount	Number of Shares which may be purchased	No. of Options to be received
Offer A	\$2,000	20,000	10,000
Offer B	\$5,000	50,000	25,000
Offer C	\$10,000	100,000	50,000
Offer D	\$15,000	150,000	75,000
Offer E	\$20,000	200,000	100,000
Offer F	\$30,000	300,000	150,000

Where the amount applied for results in a fraction of a Security the number of Shares issued will be rounded down to the nearest whole Security.

To participate in the SPP Offer, payment of the application moneys must be made per the instructions set out on the Application Form, with sufficient time to be received by or on behalf of the Company by **no later than 2.00pm (WST) on the SPP Closing Date.**

The Company reserves the absolute discretion to scale back applications under the SPP Offer to the extent and in the manner it sees fit. If the Company undertakes a scale back, you will receive the number of SPP Shares determined by the Company in its absolute discretion which may be less than the number of Shares applied for. In this case, the difference between the application moneys received and the number of SPP Shares allocated to you multiplied by the issue price per SPP Share may be refunded to you by direct credit (to your nominated account recorded on the Company's share register) or by cheque as soon as practicable, without interest.

If you require assistance in accepting the SPP Offer, please contact the Company's share registry, Link Market Services on 1300 963 991 (within Australia) or +61 1300 963 991 (outside Australia), registrars@linkmarketservices.com.au.

Options under the Placement Options Offer and Broker Offer

The Placement Options Offer and Broker Offer will only be extended to the participants who have participated in the Placement or to the Lead Manager of the Placement. Application Forms will only be provided to these participants on invitation by the Directors.

No subscription monies are payable for the Options offered pursuant to this Prospectus under the Placement Options Offer or the Broker Offer as the Options are being issued on the basis of one free Option for every three Shares subscribed for and issued under the Placement or, in relation to the Broker Offer, as a fee for acting as Lead Manager of the Placement.

Completed Application Forms must be returned to the address set out on the Application Form, with sufficient time to be received by or on behalf of the Company by **no later than 5.00pm (WST) on the Placement Options Offer Closing Date.**

4.7 Payment – SPP Offer

(a) Payment by EFT or BPAY®

For payment by EFT or BPAY®, please follow the instructions on the SPP Application Form.

You can only make a payment via:

- (i) EFT if you are a holder of an account that supports EFT transactions to an Australian bank account; or
- (ii) BPAY® if you are the holder of an account with an Australian financial institution that supports BPAY® transactions.

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

- (iii) you do not need to submit the SPP Application Form but are taken to have made the declarations on that SPP Application Form; and
- (iv) if you do not pay for your Entitlement in full, you are deemed to have taken up your Entitlement in respect of such whole number of Securities which is covered in full by your application monies.

It is your responsibility to ensure that your EFT or BPAY® payment is received by the share registry by no later than 2:00pm (WST) on the Closing Date. You should be aware that your financial institution may implement earlier cut-off times with regards to electronic payment and you should therefore take this into consideration when making payment. Any application monies received for more than your final allocation of Securities (only where the amount is \$1.00 or greater) will be refunded. No interest will be paid on any application monies received or refunded.

4.8 Issue of Securities

Issue of Securities under the Offers will be issued in accordance with the ASX Listing Rules and timetable set out at the commencement of this Prospectus. Application moneys will be held in a separate subscription account until the Securities are issued. This account will be established and kept by the Company in trust for each Applicant. Any interest earned on the application moneys will be for the benefit of the Company and will be retained by the Company irrespective of whether any Securities are issued and each Applicant waives the right to claim any interest.

The Directors will determine the recipients of all the Securities. The Directors reserve the right to reject any application or to allocate any Applicant fewer Securities than the number applied for.

Where the number of Securities issued is less than the number applied for, the surplus moneys will be returned by direct credit to your nominated bank account or cheque as soon as practicable after the Closing Date. Where no issue of Securities is made, the amount tendered on application will be returned in full by direct credit to your nominated bank account or cheque as soon as practicable after the Closing Date. Interest will not be paid on moneys refunded.

4.9 ASX listing – Shares

Application for Official Quotation of the Shares offered pursuant to this Prospectus will be made within 7 days of the date of this Prospectus. If ASX does not grant Official Quotation of the Shares offered pursuant to this Prospectus before the expiration of 3 months after the date of issue of the Prospectus, (or such period as varied by the ASIC), the Company will not issue any Shares and will repay all application monies for the Shares within the time prescribed under the Corporations Act, without interest.

The fact that ASX may grant Official Quotation to the Shares is not to be taken in any way as an indication of the merits of the Company or the Shares now offered for subscription.

4.10 ASX listing – Options

The Company will not apply for Official Quotation of the Options issued pursuant to this Prospectus.

4.11 Restrictions on the distribution of the Prospectus

The Offers do not, and are not intended to, constitute an offer in any place or jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer or to issue this Prospectus.

The SPP Offer is not being extended and Securities will not be issued to investors with a registered address which is outside Australia or New Zealand.

Residents of countries outside Australia or New Zealand should consult their professional advisers as to whether any government or other consents are required, or whether any formalities need to be observed should they wish to make an application to take up Shares on the basis of this Prospectus. The return of a duly completed Application Form will be taken to constitute a representation and warranty that there has been no breach of such laws and that all approvals and consents have been obtained.

The Placement Options Offer is not being extended and Options will not be issued to investors with a registered address which is outside Australia, New Zealand, United Kingdom, Hong Kong or Singapore.

New Zealand

This Placement Options Offer to New Zealand investors is a regulated offer made under Australian and New Zealand law. In Australia, this is Chapter 8 of the Corporations Act and regulations made under that Act. In New Zealand, this is subpart 6 of Part 9 of the Financial Markets Conduct Act 2013 and Part 9 of the Financial Markets Conduct Regulations 2014.

This Placement Options Offer and the content of the Prospectus are principally governed by Australian rather than New Zealand law. In the main, the Corporations Act and the regulations made under that Act set out how the Placement Options Offer must be made.

There are differences in how financial products are regulated under Australian law. For example, the disclosure of fees for managed investment schemes is different under the Australian regime.

The rights, remedies, and compensation arrangements available to New Zealand investors in Australian financial products may differ from the rights, remedies, and compensation arrangements for New Zealand financial products.

Both the Australian and New Zealand financial markets regulators have enforcement responsibilities in relation to this Placement Options Offer. If you need to make a complaint about this Placement Options Offer, please contact the Financial Markets Authority, New Zealand (<http://www.fma.govt.nz>). The Australian and New Zealand regulators will work together to settle your complaint.

The taxation treatment of Australian financial products is not the same as for New Zealand financial products.

If you are uncertain about whether this investment is appropriate for you, you should seek the advice of an appropriately qualified financial adviser.

The Placement Options Offer may involve a currency exchange risk. The currency for the financial products is not New Zealand dollars. The value of the financial products will go up or down according to changes in the exchange rate between that currency and New Zealand dollars. These changes may be significant.

If you expect the financial products to pay any amounts in a currency that is not New Zealand dollars, you may incur significant fees in having the funds credited to a bank account in New Zealand in New Zealand dollars.

If the financial products are able to be traded on a financial product market and you wish to trade the financial products through that market, you will have to make arrangements for a participant in that market to sell the financial products on your behalf. If the financial product market does not operate in New Zealand, the way in which the market operates, the regulation of participants in that market, and the information available to you about the financial products and trading may differ from financial product markets that operate in New Zealand.

Hong Kong

WARNING: This document has not been, and will not be, registered as a prospectus under the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong, nor has it been authorised by the Securities and Futures Commission in Hong Kong pursuant to the Securities and Futures Ordinance (Cap. 571) of the Laws of Hong Kong (the **SFO**). No action has been taken in Hong Kong to authorise or register this document or to permit the distribution of this document or any documents issued in connection with it. Accordingly, the Securities have not been and will not be offered or sold in Hong Kong other than to "professional investors" (as defined in the SFO and any rules made under that ordinance).

No advertisement, invitation or document relating to the Securities has been or will be issued, or has been or will be in the possession of any person for the purpose of issue, in Hong Kong or elsewhere that is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Securities that are or are intended to be disposed of only to persons outside Hong Kong or only to professional investors. No person allotted Securities may sell, or offer to sell, such securities in circumstances that amount to an offer to the public in Hong Kong within six months following the date of issue of such securities.

The contents of this document have not been reviewed by any Hong Kong regulatory authority. You are advised to exercise caution in relation to the

Placement Options Offer. If you are in doubt about any contents of this document, you should obtain independent professional advice.

Singapore

This document and any other materials relating to the Securities have not been, and will not be, lodged or registered as a prospectus in Singapore with the Monetary Authority of Singapore. Accordingly, this document and any other document or materials in connection with the offer or sale, or invitation for subscription or purchase, of Securities, may not be issued, circulated or distributed, nor may the Securities be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore except pursuant to and in accordance with exemptions in Subdivision (4) Division 1, Part XIII of the Securities and Futures Act, Chapter 289 of Singapore (the **SFA**), or as otherwise pursuant to, and in accordance with the conditions of any other applicable provisions of the SFA.

This document has been given to you on the basis that you are (i) an existing holder of the Company's shares, (ii) an "institutional investor" (as defined in the SFA) or (iii) an "accredited investor" (as defined in the SFA). In the event that you are not an investor falling within any of the categories set out above, please return this document immediately. You may not forward or circulate this document to any other person in Singapore.

Any offer is not made to you with a view to the Securities being subsequently offered for sale to any other party. There are on-sale restrictions in Singapore that may be applicable to investors who acquire Securities. As such, investors are advised to acquaint themselves with the SFA provisions relating to resale restrictions in Singapore and comply accordingly.

United Kingdom

Neither the information in this Prospectus nor any other document relating to the Placement Options Offer has been delivered for approval to the Financial Services Authority in the United Kingdom and no prospectus (within the meaning of Section 85 of the Financial Services and Markets Act 2000, as amended (**FSMA**)) has been published or is intended to be published in respect of the Options.

This document is issued on a confidential basis to fewer than 150 persons (other than "qualified investors" (within the meaning of Section 86(7) of FSMA)) in the United Kingdom, and the Options may not be offered or sold in the United Kingdom by means of this document, any accompanying letter or any other document, except in circumstances which do not require the publication of a prospectus pursuant to Section 86(1) FSMA. This Prospectus should not be distributed, published or reproduced, in whole or in part, nor may its contents be disclosed by recipients to any other person in the United Kingdom.

Any invitation or inducement to engage in investment activity (within the meaning of Section 21 FSMA) received in connection with the issue or sale of the Options has only been communicated or caused to be communicated and will only be communicated or caused to be communicated in the United Kingdom in circumstances in which Section 21(1) FSMA does not apply to the Company.

In the United Kingdom, this Prospectus is being distributed only to, and is directed at, persons (i) who fall within Article 43 (members or creditors of certain bodies corporate) of the Financial Services and Markets Act 2000 (Financial Promotions) Order 2005, as amended, or (ii) to whom it may otherwise be lawfully communicated (together 'relevant persons'). The investment to which this

document relates is available only to, and any invitation, offer or agreement to purchase will be engaged in only with, relevant persons.

Any person who is not a relevant person should not act or rely on this Prospectus or any of its contents.

Shareholders resident in Australia, New Zealand, Hong Kong, Singapore or the United Kingdom holding securities on behalf of persons who are resident overseas are responsible for ensuring that applying for Options under the Placement Options Offer does not breach regulations in the relevant overseas jurisdiction. Return of a duly completed Application Form will be taken by the Company to constitute a representation that there has been no breach of those regulations.

4.12 Enquiries

Any questions concerning the Offers should be directed the Company's share registry Link Market Services on 1300 963 991 (within Australia) or +61 1300 963 991 (outside Australia), registrars@linkmarketservices.com.au.

5. PURPOSE AND EFFECT OF THE OFFERS

5.1 Purpose of the Offers

The purpose of the SPP Offer is to raise \$2,000,000 (before costs).

The funds raised from the SPP Offer, together with funds received under the Placement, are planned to be used in accordance with the table set out below:

Proceeds of the SPP Offer and Placement	(\\$)	%
Payment of the rig mobilisation fee	\$2,100,000	38%
Purchase of long lead items for 2-Well drilling campaign	\$1,200,000	22%
Production Sharing Agreement & Completion of acquisition of additional SG4571 acreage	\$350,000	6%
Finalisation of the data processing of CB21 Seismic Survey	\$350,000	6%
Prospective Resource update	\$200,000	4%
General working capital	\$1,300,000	24%
Total	\$5,500,000	100.0%

Notes:

1. Refer to Sections 4.5 and 8.8 for further details relating to the fees payable to the Lead Manager and the estimated expenses of the Offers (respectively).

The above table is a statement of current intentions as of the date of this Prospectus. As with any budget, intervening events and new circumstances have the potential to affect the manner in which the funds are ultimately applied. The Board reserves the right to alter the way funds are applied on this basis.

In the event of oversubscriptions by the SPP Closing Date, the Directors may, in their absolute discretion, scale-back applications on an equitable basis. Directors may also, in their absolute discretion, decide to increase acceptances in the event of oversubscriptions (subject to the requirements detailed at Section 4.1). Any funds raised from any oversubscriptions will be allocated to general working capital, increasing the amount of working capital to up to \$2,300,000.

On completion of the Placement and SPP Offer, the Board believes the Company will have sufficient working capital to achieve the above objectives. However, to the extent the SPP Offer is not fully subscribed, the Company will seek to scale back inventory build and or delay some of the work, while it seeks alternative sources of funding (as required).

Placement Options Offer and Broker Offer

The Placement Options Offer and Broker Offer are being made such that the relief provided under ASIC Corporations (Sale Offers That Do Not Need Disclosure) Instrument 2016/80 with respect to the on-sale provisions of section 707 of the Corporations Act is available.

Specifically, if the Options are issued with disclosure under this Prospectus, then the Shares issued upon the exercise of any of the Options can be on-sold within 12 months of their issue, without a disclosure document for the on-sale offer.

No funds will be raised under the Placement Options Offer or Broker Offer (other than funds raised if the Options are subsequently exercised).

5.2 Effect of the Offers and the Placement

The principal effect of the SPP and the Placement, assuming the Company issues the maximum number of Securities will be to:

- (a) increase the cash reserves by \$5,500,000, (before deducting the estimated expenses of the Placement and the SPP) immediately after completion of the Placement and the SPP; and
- (b) increase the number of Shares on issue from 585,077,387 (including the issue of all Placement Shares) to 640,077,387 Shares following completion of the Offers (subject to rounding); and
- (c) increase the number of Options on issue from 60,363,636 to 92,238,636 Options following completion of the Placement and the Offers.

5.3 Effect on capital structure

The effect of the Offers on the Company's capital structure is set out below.

Shares¹	Number
Shares currently on issue ^{1, 2}	585,077,387
Shares issued under the Placement ^{1, 2}	35,000,000
Shares offered under the SPP Offer ³	20,000,000
Total Shares on issue on completion of the Placement and Offers^{4, 5}	640,077,387

Notes:

1. The rights and liabilities attaching to the Shares are summarised in Section 6.2.
2. Includes 35,000,000 Shares issued on 6 January 2021 under the Placement.
3. Assumes the full \$2,000,000 is raised under the SPP Offer.
4. Assumes no existing Options on issue are exercised.
5. In the event that any oversubscriptions are accepted, the total Shares that may be on issue after the close of the SPP would increase by a further 10,000,000 Shares.

Options	Number
Existing Options on issue	60,363,636
Options to be issued under the SPP ¹	17,500,000
Options to be issued under the Placement Offer ¹	10,000,000
Options to be issued under the Broker Offer ¹	4,375,000
Total Options on issue on completion of the Placement and Offers^{2, 3}	92,238,636

Notes:

1. The terms of the Options are summarised in Section 6.1.
2. This assumes the SPP Offer is fully subscribed and no existing Options on issue are exercised.
3. In the event that any oversubscriptions are accepted, the total Options that may be on issue after the close of the SPP would increase by a further 5,000,000 Options.

5.4 Pro-forma balance sheet

The audited balance sheet as at 30 June 2021 and the pro-forma balance sheet as at 30 June 2021 shown below have been prepared on the basis of the accounting policies normally adopted by the Company and reflect the changes to its financial position as a result of the SPP Offer and the Placement.

	30 June 2021 Audited	Placement & SPP Capital Raising	Pro-Forma 30 June 2021
Assets			
Current assets			
Cash and cash equivalents	9,135,271	5,216,760	14,352,031
Trade and other receivables	48,224		48,224
Other current assets	52,014		52,014
Total current assets	9,235,509		14,452,269
Non-current assets			
Exploration and evaluation expenditure	8,821,190		8,821,190
Property, plant and equipment	168,814		168,814
Right of use asset	64,489		64,489
Other financial assets	96,143		96,143
Total non-current assets	9,150,636		9,150,636
Total assets	18,386,145		23,602,905
Liabilities			
Current liabilities			
Trade and other payables	291,556		291,556
Provisions	40,873		40,873
Lease liability	95,189		95,189
Total current liabilities	427,618		427,618
Net Assets	17,958,527		23,175,287
Equity			
Share Capital	38,354,367	5,290,000	43,644,367
Reserves	492,458	140,000	632,458
Accumulated loss	(21,926,187)	(213,240)	(22,139,427)
Total equity attributable to owners of Invictus Energy Limited	16,920,638		22,137,398
Non-controlling interest	1,037,889		1,037,889
Total Equity	17,958,527		23,175,287

The pro-forma balance sheet has been prepared assuming all Entitlements are accepted for the maximum number of Securities offered, no existing Options are exercised prior to the Record Date and including expenses of the Offers.

The pro-forma balance sheet has been prepared to provide investors with information on the assets and liabilities of the Company and pro-forma assets and liabilities of the Company as noted below. The historical and pro-forma financial information is presented in an abbreviated form, insofar as it does not include all of the disclosures required by Australian Accounting Standards applicable to annual financial statements.

Proforma Transactions

1. Placement shares of 35,000,000 at \$0.10 each
2. Capital raising fee of 6% on the placement shares
3. SPP shares of 20,000,000 at \$0.10
4. Lead Manager options of 4,375,000 on same terms as the placement options
5. Estimated expenses of Offers (section 8.9) of \$73,240

Note: proforma balance sheet does not model the costs incurred by the company following the 30 June 2021 audited annual accounts. Significant costs have been incurred during this period, including the 2D seismic costs on SG4571/Cabora Bassa Basin of up to US\$6m and general working capital expenditure.

6. RIGHTS AND LIABILITIES ATTACHING TO SECURITIES

The following is a summary of the more significant rights and liabilities attaching to the Options and Shares being offered pursuant to this Prospectus. This summary is not exhaustive and does not constitute a definitive statement of the rights and liabilities of Securityholders. To obtain such a statement, persons should seek independent legal advice.

Full details of the rights and liabilities attaching to Shares are set out in the Constitution, a copy of which is available for inspection at the Company's registered office during normal business hours.

6.1 Terms and conditions of the Options

(a) Entitlement

Each Option entitles the holder to subscribe for one Share upon exercise of the Option.

(b) Exercise Price

Subject to paragraph (j), the amount payable upon exercise of each Option will be \$0.14 (**Exercise Price**)

(c) Expiry Date

Each Option will expire at 5:00 pm (WST) on or before 31 January 2025 (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(d) Exercise Period

The Options are exercisable at any time on or prior to the Expiry Date (**Exercise Period**).

(e) Notice of Exercise

The Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

(f) Exercise Date

A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds (**Exercise Date**).

(g) Timing of issue of Shares on exercise

Within five Business Days after the Exercise Date, the Company will:

- (i)** issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;

- (ii) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and
- (iii) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.

If a notice delivered under (g)(ii) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 Business Days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.

(h) Quotation of Options

The Company will not apply for quotation of the Options.

(i) Shares issued on exercise

Shares issued on exercise of the Options rank equally with the then issued shares of the Company.

(j) Reconstruction of capital

If at any time the issued capital of the Company is reconstructed, all rights of an Optionholder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.

(k) Participation in new issues

There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options.

(l) Change in exercise price

An Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Option can be exercised.

(m) Transferability

The Options are transferable subject to approval from the Company/board of directors.

6.2 Rights and liabilities attaching to Shares

(a) General meetings

Shareholders are entitled to be present in person, or by proxy, attorney or representative to attend and vote at general meetings of the Company.

Shareholders may requisition meetings in accordance with section 249D of the Corporations Act and the Constitution of the Company.

(b) **Voting rights**

Subject to any rights or restrictions for the time being attached to any class or classes of shares, at general meetings of shareholders or classes of shareholders:

- (i) each Shareholder entitled to vote may vote in person or by proxy, attorney or representative;
- (ii) on a show of hands, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder has one vote; and
- (iii) on a poll, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder shall, in respect of each fully paid Share held by him, or in respect of which he is appointed a proxy, attorney or representative, have one vote for each Share held, but in respect of partly paid shares shall have such number of votes as bears the same proportion to the total of such Shares registered in the Shareholder's name as the amount paid (not credited) bears to the total amounts paid and payable (excluding amounts credited).

(c) **Dividend rights**

Subject to the rights of any preference Shareholders and to the rights of the holders of any shares created or raised under any special arrangement as to dividend, the Directors may from time to time declare a dividend to be paid to the Shareholders entitled to the dividend which shall be payable on all Shares according to the proportion that the amount paid (not credited) is of the total amounts paid and payable (excluding amounts credited) in respect of such Shares.

The Directors may from time to time pay to the Shareholders any interim dividends as they may determine. No dividend shall carry interest as against the Company. The Directors may set aside out of the profits of the Company any amounts that they may determine as reserves, to be applied at the discretion of the Directors, for any purpose for which the profits of the Company may be properly applied.

Subject to the ASX Listing Rules and the Corporations Act, the Company may, by resolution of the Directors, implement a dividend reinvestment plan on such terms and conditions as the Directors think fit and which provides for any dividend which the Directors may declare from time to time payable on Shares which are participating Shares in the dividend reinvestment plan, less any amount which the Company shall either pursuant to the Constitution or any law be entitled or obliged to retain, be applied by the Company to the payment of the subscription price of Shares.

(d) **Winding-up**

If the Company is wound up, the liquidator may, with the authority of a special resolution, divide among the Shareholders in kind the whole or any part of the property of the Company, and may for that purpose set such value as he considers fair upon any property to be so divided, and may determine how the division is to be carried out as between the Shareholders or different classes of Shareholders.

The liquidator may, with the authority of a special resolution, vest the whole or any part of any such property in trustees upon such trusts for the benefit of the contributories as the liquidator thinks fit, but so that no Shareholder is compelled to accept any shares or other securities in respect of which there is any liability.

(e) **Shareholder liability**

As the Shares issued will be fully paid shares, they will not be subject to any calls for money by the Directors and will therefore not become liable for forfeiture.

(f) **Transfer of shares**

Generally, shares in the Company are freely transferable, subject to formal requirements, the registration of the transfer not resulting in a contravention of or failure to observe the provisions of a law of Australia and the transfer not being in breach of the Corporations Act and the ASX Listing Rules.

(g) **Future increase in capital**

The issue of any new Shares is under the control of the Directors of the Company. Subject to restrictions on the issue or grant of Securities contained in the ASX Listing Rules, the Constitution and the Corporations Act (and without affecting any special right previously conferred on the holder of an existing share or class of shares), the Directors may issue Shares as they shall, in their absolute discretion, determine.

(h) **Variation of rights**

Under section 246B of the Corporations Act, the Company may, with the sanction of a special resolution passed at a meeting of Shareholders vary or abrogate the rights attaching to shares.

If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class), whether or not the Company is being wound up, may be varied or abrogated with the consent in writing of the holders of three quarters of the issued shares of that class, or if authorised by a special resolution passed at a separate meeting of the holders of the shares of that class.

(i) **Alteration of constitution**

In accordance with the Corporations Act, the Constitution can only be amended by a special resolution passed by at least three quarters of Shareholders present and voting at the general meeting. In addition, at least 28 days written notice specifying the intention to propose the resolution as a special resolution must be given.

7. RISK FACTORS

7.1 Introduction

The Securities offered under this Prospectus are considered highly speculative. An investment in the Company is not risk free and the Directors strongly recommend potential investors to consider the risk factors described below, together with information contained elsewhere in this Prospectus and to consult their professional advisers before deciding whether to apply for Securities pursuant to this Prospectus.

There are specific risks which relate directly to the Company's business. In addition, there are other general risks, many of which are largely beyond the control of the Company and the Directors. The risks identified in this Section, or other risk factors, may have a material impact on the financial performance of the Company and the market price of the Securities.

The following is not intended to be an exhaustive list of the risk factors to which the Company is exposed.

7.2 Risks specific to the Company

(a) Coronavirus (COVID-19)

The outbreak of the coronavirus disease (**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 Company's operations 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 continually evolving, and the consequences are therefore inevitably uncertain. In compliance with its continuous disclosure obligations, the Company will continue to update the market in regard to the impact of COVID-19 on potential revenue channels and any adverse impact on the Company and its operations. If any of these impacts appear material prior to close of the Offers, the Company will notify investors under a supplementary prospectus.

(b) Exploration

Potential investors should understand that oil and gas exploration and development are high-risk undertakings. There can be no assurance that exploration of Invictus's projects, or any other permits that may be acquired in the future, will result in the discovery of an economic oil and gas resource or reserve. Even if an apparently viable resource is identified, there is no guarantee that it can be economically exploited. The future exploration activities of the Company may be affected by a range of factors including geological conditions, limitations on activities due to seasonal weather patterns, unanticipated operational and technical difficulties, industrial and environmental accidents, native title process, changing government regulations and many other factors beyond the control of the Company. The success of the Company will also depend upon the Company having access to sufficient development capital,

being able to maintain title to its permits and obtaining all required approvals for its activities. In the event that exploration programs prove to be unsuccessful this could lead to a diminution in the value of its permits, a reduction in the case reserves of the Company and possible relinquishment of the permits. The exploration costs of the Company are based on certain assumptions with respect to the method and timing of exploration. By their nature, these estimates and assumptions are subject to significant uncertainties and, accordingly, the actual costs may materially differ from these estimates and assumptions. Accordingly, no assurance can be given that the cost estimates and the underlying assumptions will be realised in practice, which may materially and adversely affect the Company's viability.

(c) **Potential acquisitions**

As part of its business strategy, the Company may make acquisitions of, or significant investments in, complementary companies, projects, blocks or prospects in Zimbabwe, or elsewhere in Africa or other parts of the world. Any such acquisitions will be accompanied by risks commonly encountered in making such acquisitions.

(d) **Permit applications and license renewal**

The Company expects that the applications for permit renewals or for any new permits will be granted following approval by the relevant Government of Zimbabwe regulatory authorities. However, the Company cannot guarantee that the current SG4571 permit that expires in June 2024 or that any future permit applications will be granted.

(e) **Reliance on key personnel**

The responsibility of overseeing the day-to-day operations and the strategic management of the Company depends substantially on its senior management and its key personnel. There can be no assurance given that there will be no detrimental impact on the Company if one or more of these employees ceases their employment with the Company.

7.3 Industry specific

(a) **Hydrocarbon Reserve Estimates**

Hydrocarbon reserve estimates are expressions of judgment based on knowledge, experience, interpretation and industry practice. Estimates that were valid when made may change significantly when new information becomes available. In addition, reserve estimates are necessarily imprecise and depend to some extent on interpretations, which may prove inaccurate. Should the Company encounter oil and/or gas deposits or formations different from those predicted by past drilling, sampling and similar examinations, then reserve estimates may have to be adjusted and production plans may have to be altered in a way which could adversely affect the Company's operations. Where possible, the Company will seek to have any such estimates verified or produced by an independent party with sufficient expertise in their chosen field

Oil and natural gas exploration, production and related operations are subject to extensive rules and regulations promulgated by federal, state

and local agencies. Failure to comply with such rules and regulations can result in substantial penalties. The regulatory burden on the oil and gas industry increases the cost of doing business and affects profitability. Because such rules and regulations are frequently amended or reinterpreted, the Company is unable to predict the future cost or impact of complying with such laws. Permits are required in some of the areas in which the Company will operate following completion of the Proposed Transaction for drilling operations, drilling bonds and the filing of reports concerning operations and other requirements are imposed relating to the exploration and production of oil and gas. The Company will be required to comply with various federal and state regulations regarding plugging and abandonment of oil and natural gas wells, which will impose a substantial rehabilitation obligation on the Company, which may have a material adverse effect on the Company's financial performance.

(b) **Farm in Partners and contractors**

Oil and gas ventures are typically operated under a farm in and/or joint venture arrangements, such as the proposed farm-in partner option agreement announced on 9 December 2021 by the Company with Cluff Energy Africa Ltd. These arrangements include provisions that often require certain decisions relating to the projects to be passed with unanimous or majority approval of all participants. Where a venture partner does not 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:

- (i) financial failure, non-compliance with obligations or default by a participant in any venture to which the Company is, or may become, a party; or
- (ii) insolvency or other managerial failure by any of the contractors used by the Company in any of its activities; or
- (iii) insolvency or other managerial failure by any of the other service providers used by the Company for any activity,

all of which could have a material adverse effect on the operations and financial performance of the Company

(c) **Drilling**

Oil and gas drilling activities are subject to numerous risks, many of which are beyond the Company's control. The Company's drilling operations may be curtailed, delayed or cancelled due to a number of factors including weather conditions, mechanical difficulties, shortage or delays in the availability or delivery of rigs and/or other equipment and compliance with governmental requirements. Hazards incident to the exploration and development of oil and gas properties such as unusual or unexpected formations, pressures or other factors are inherent in drilling and operating wells and may be encountered by the Company. Completion of a well does not assure a profit on the investment or recovery of drilling, completion and operating costs.

(d) **Insurance**

The Company seeks to maintain appropriate policies of insurance consistent with those customarily carried by organisations in their industry sector. Any increase in the cost of the insurance policies of the Company or the industry in which they operate could adversely affect the Company's business, financial condition and operational results. The Company's insurance coverage may also be inadequate to cover losses it sustains. Uninsured loss or a loss in excess of the Company's insured limits could adversely affect the Company's business, financial condition and operational results.

(e) **Environmental**

The Company will be subject to environmental laws and regulations with operations it may pursue in the oil and gas industry. The Company intends to conduct its activities in an environmentally responsible manner and in accordance with all applicable laws. However, the Company may be the subject of accidents or unforeseen circumstances that could subject the Company to extensive liability.

Further, the Company may require approval from the relevant authorities before it can undertake activities that are likely to impact the environment. Failure to obtain such approvals may prevent the Company from undertaking its desired activities. The Company is unable to predict the effect of additional environmental laws and regulations that may be adopted in the future, including whether any such laws and regulations would materially increase the Company's cost of doing business or affect its operations in any area.

(f) **Contractual disputes**

The Company's business model is dependent in part on contractual agreements with third parties that have an interaction with the Company's target market. The Company is aware that there are associated risks when dealing with third parties including but not limited to insolvency, fraud and management failure. Should a third party contract fail, there is the potential for negative financial and brand damage for the Company.

7.4 General risks

(a) **Economic & Political**

General economic conditions, introduction of tax reform, new legislation, 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.

Adverse changes in the general economic and political climate in Zimbabwe and on a global basis that could impact on economic growth, oil and gas prices, interest rates, the rate of inflation, taxation and tariff laws and domestic security, which may affect the viability of any oil and gas activity that may be conducted by the Company upon the Cabora Bassa Project.

(b) **Market conditions**

Share market conditions may affect the value of the Company's quoted securities regardless of the Company's operating performance. Share market conditions are affected by many factors such as:

- (i) general economic outlook;
- (ii) introduction of tax reform or other new legislation;
- (iii) interest rates and inflation rates;
- (iv) changes in investor sentiment toward particular market sectors;
- (v) the demand for, and supply of, capital; and
- (vi) terrorism or other hostilities.

The market price of securities can fall as well as rise and may be subject to varied and unpredictable influences on the market for equities in general and industrial stocks in particular. Neither the Company nor the Directors warrant the future performance of the Company or any return on an investment in the Company.

(c) **Litigation**

The Company is exposed to the risk of actual or threatened litigation or legal disputes in the form of customer claims, intellectual property claims, personal injury claims, employee claims and other litigation and disputes. If any claim was successfully pursued it may adversely impact the financial performance, financial position, cash flow and share price of the Company.

As at the date of this Prospectus, the Company is not aware of any pending litigation.

7.5 Investment risk

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 factors, and others not specifically referred to above, may in the future materially affect the financial performance of the Company and the value of the Shares offered under this Prospectus.

Therefore, the Shares to be issued pursuant to this Prospectus carry no guarantee with respect to the payment of dividends, returns of capital or the market value of those Shares.

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

8. ADDITIONAL INFORMATION

8.1 Litigation

As at the date of this Prospectus, the Company is not involved in any legal proceedings and the Directors are not aware of any legal proceedings pending or threatened against the Company.

8.2 Continuous disclosure obligations

The Company is a "disclosing entity" (as defined in section 111AC of the Corporations Act) for the purposes of section 713 of the Corporations Act and, as such, is subject to regular reporting and disclosure obligations. Specifically, like all listed companies, the Company is required to continuously disclose any information it has to the market which a reasonable person would expect to have a material effect on the price or the value of the Company's securities.

This Prospectus is a "transaction specific prospectus". In general terms a "transaction specific prospectus" is only required to contain information in relation to the effect of the issue of securities on the Company and the rights attaching to the securities. It is not necessary to include general information in relation to all of the assets and liabilities, financial position, profits and losses or prospects of the issuing company.

This Prospectus is intended to be read in conjunction with the publicly available information in relation to the Company which has been notified to ASX and does not include all of the information that would be included in a prospectus for an initial public offering of securities in an entity that is not already listed on a stock exchange. Investors should therefore have regard to the other publicly available information in relation to the Company before making a decision whether or not to invest.

Having taken such precautions and having made such enquiries as are reasonable, the Company believes that it has complied with the general and specific requirements of ASX as applicable from time to time throughout the 3 months before the issue of this Prospectus which required the Company to notify ASX of information about specified events or matters as they arise for the purpose of ASX making that information available to the stock market conducted by ASX.

Information that is already in the public domain has not been reported in this Prospectus other than that which is considered necessary to make this Prospectus complete.

The Company, as a disclosing entity under the Corporations Act states that:

- (a) it is subject to regular reporting and disclosure obligations;
- (b) copies of documents lodged with the ASIC in relation to the Company (not being documents referred to in section 1274(2)(a) of the Corporations Act) may be obtained from, or inspected at, the offices of the ASIC; and
- (c) it will provide a copy of each of the following documents, free of charge, to any person on request between the date of issue of this Prospectus and the Closing Date:
 - (i) the annual financial report most recently lodged by the Company with the ASIC;

- (ii) any half-year financial report lodged by the Company with the ASIC after the lodgement of the annual financial report referred to in (i) and before the lodgement of this Prospectus with the ASIC; and
- (iii) any continuous disclosure documents given by the Company to ASX in accordance with the ASX Listing Rules as referred to in section 674(1) of the Corporations Act after the lodgement of the annual financial report referred to in (i) and before the lodgement of this Prospectus with the ASIC.

Copies of all documents lodged with the ASIC in relation to the Company can be inspected at the registered office of the Company or an ASIC office during normal office hours.

Details of documents lodged with ASX since the date of lodgement of the Company's latest annual financial report and before the lodgement of this Prospectus with the ASIC are set out in the table below:

Date	Description of Announcement
06/01/2022	Application for quotation of securities - IVZ
05/01/2022	Invictus Energy Secures Long Leads 2-Well Drilling Program
29/12/2021	Proposed issue of securities
29/12/2021	Proposed issue of securities
29/12/2021	Proposed issue of securities
29/12/2021	Capital Raising of \$5.5m to support Cabora Bassa Development
23/12/2021	Trading Halt
15/12/2021	Cabora Bassa Project Investor Update
13/12/2021	Invictus Energy Investor Briefing Webinar
10/12/2021	Invictus Secures Drilling Rig for Mazarabani-1 Well
09/12/2021	Farm in Option Agreement for a 2-well Campaign
02/12/2021	Invictus Energy Upgrades to OTCQB Commences Trading
01/12/2021	Results of AGM
30/11/2021	AGM Address Managing Director
12/11/2021	Africa Oil Week Presentation
12/11/2021	Encouraging Preliminary Seismic Results
03/11/2021	Cabora Bassa Seismic Survey Completed
27/10/2021	Quarterly Activities Report & Cashflow
25/10/2021	Board Update
18/10/2021	Invictus Energy Siesmic Compaign Update
13/10/2021	Notice of Annual General Meeting/Proxy Form
07/10/2021	Cabora Bassa Project Seismic Update

Date	Description of Announcement
05/10/2021	AGM Disclosure
30/09/2021	Corporate Governance Statement & Appendix 4G
30/09/2021	Annual Report to Shareholders

ASX maintains files containing publicly available information for all listed companies. The Company's file is available for inspection at ASX during normal office hours.

The announcements are also available through the Company's website: www.invictusenergy.com.

8.3 Lead Manager Mandate

The Company has entered into a mandate with the Lead Manager pursuant to which the Broker Options will be issued. The key terms of the mandate are as follows:

- (a) the Lead Manager agreed to act as the lead manager of the Placement;
- (b) the Company has paid the Lead Manager a fee of 6% of the funds raised under the Placement;
- (c) the Company has also agreed to issue the Lead Manager 4,375,000 Options, which is the purpose of the Company making the Broker Offer under this Prospectus; and
- (d) other than the issuing of the Options under the Broker Offer, there are no ongoing material obligations of the Company.

8.4 Market price of Shares

The Company is a disclosing entity for the purposes of the Corporations Act and its Shares are enhanced disclosure securities quoted on ASX.

The highest, lowest and last market sale prices of the Shares on ASX during the three months immediately preceding the date of lodgement of this Prospectus with the ASIC and the most recent dates of those sales were:

	Price	Date
Highest	\$0.17	12 October 2021
Lowest	\$0.105	13 and 14 December 2021
Last	\$0.12	7 January 2022

Whilst it is intended that the Options will be quoted there is no current market or trading history for the Options. It is not possible to predict what value of the Options or Shares will be following the Offers and the Directors do not make any representations as to such matters.

8.5 Details of substantial holders

Based on publicly available information as at 7 January 2022, those persons which (together with their associates) have a relevant interest in 5% or more of the Shares on issue prior to and after the completion of the Placement are set out below:

Shareholder	Shares	% ¹
Scott Macmillan	73,271,547	12.5%

Note:

1. based on total issued capital of 585,077,387 prior to the issue of Shares under the SPP.

The Company has confirmed that no existing Shareholder will increase its Shareholding to above 19.9% as a result of the Placement or the Offers.

8.6 Directors' Interests

Other than as set out below or elsewhere in this Prospectus, no Director nor any firm in which such a Director is a partner, has or had within 2 years before the lodgement of this Prospectus with the ASIC, any interest in:

- (a) the formation or promotion of the Company;
- (b) property acquired or proposed to be acquired by the Company in connection with its formation or promotion or the Offers pursuant to this Prospectus; or
- (c) the Offers,

and no amounts have been paid or agreed to be paid (in cash or Shares or otherwise) to any Director or to any firm in which any such Director is a partner or director, either to induce them to become, or to qualify them as, a Director or otherwise for services rendered by them or by the firm in connection with the formation or promotion of the Company or the Offers.

Security holdings

The relevant interest of each of the Directors in the securities of the Company as at the date of this Prospectus is set out in the table below.

Director	Shares	Options
Dr Stuart Lake	2,259,732	12,000,000
Joe Mutizwa	-	-
Scott Macmillan	73,271,547	3,000,000
Gabriel Chiappini	8,862,662	3,000,000

Notes:

1. Directors that hold Shares in the Company are entitled to participate in the SPP on the same terms as all other Shareholders.

Remuneration

The remuneration of an executive Director is decided by the Board, without the affected executive Director participating in that decision-making process. The total maximum remuneration of non-executive Directors is initially set by the Constitution and subsequent variation is by ordinary resolution of Shareholders in general meeting in accordance with the Constitution, the Corporations Act and the ASX Listing Rules, as applicable. The determination of non-executive Directors' remuneration within that maximum will be made by the Board having regard to the inputs and value to the Company of the respective contributions by each non-executive Director. The current amount has been set at an amount not to exceed \$300,000 per annum.

A Director may be paid fees or other amounts (ie non-cash performance incentives such as Options, subject to any necessary Shareholder approval) as the other Directors determine where a Director performs special duties or otherwise performs services outside the scope of the ordinary duties of a Director. In addition, Directors are also entitled to be paid reasonable travelling, hotel and other expenses incurred by them respectively in or about the performance of their duties as Directors.

The following table shows the total (and proposed) annual remuneration paid to both executive and non-executive directors.

Director¹	Remuneration for the year ended 30 June 2019	Remuneration for the year ended 30 June 2020	Remuneration for the year ended 30 June 2021
Dr Stuart Lake	-	308,802 ²	97,480
Joe Mutizwa ¹	-	-	6,904
Scott Macmillan	297,514	297,514	296,068
Gabriel Chiappini	60,000	60,000	57,350

Notes:

1. the annual director fees of \$60,000 and any incentive rights including options approved by shareholders at the 8 July 2021 meeting are allocated/issued to Mangwana Capital, a company that Mr Mutizwa is a director of but does not control, manage or exert significant influence over.
2. Includes non cash remuneration of the award of performance rights valued at \$121,247.

8.7 Interests of experts and advisers

Other than as set out below or elsewhere in this Prospectus, no:

- (a) person named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus;
- (b) promoter of the Company; or
- (c) underwriter (but not a sub-underwriter) to the issue or a financial services licensee named in this Prospectus as a financial services licensee involved in the issue,

holds, or has held within the 2 years preceding lodgement of this Prospectus with the ASIC, any interest in:

- (d) the formation or promotion of the Company;
- (e) any property acquired or proposed to be acquired by the Company in connection with:
 - (i) its formation or promotion; or
 - (ii) the Offers; or
- (f) the Offers,

and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to any of these persons for services provided in connection with:

- (g) the formation or promotion of the Company; or
- (h) the Offers.

BDO Audit (WA) Pty Ltd (**BDO**) is the auditor of the Company and were the auditors for the 2021 Annual Report lodged with ASX on 30 September 2021. The 2021 audited accounts forms the basis for the pro-forma balance sheet included in Section 5.4 that has been prepared by the Company. BDO has not reviewed or provided any advice or guidance in relation to the pro-forma balance sheet in Section 5.4. During the 24 months preceding lodgement of this Prospectus with the ASIC, BDO has been paid fees totalling \$82,372 (excluding GST and disbursements) for audit services provided to the Company.

Steinepreis Paganin has acted as the solicitors to the Company in relation to the Offers. The Company estimates it will pay Steinepreis Paganin \$10,000 (excluding GST and disbursements) for these services. During the 24 months preceding lodgement of this Prospectus with the ASIC, Steinepreis Paganin has been paid fees totalling \$32,336 (excluding GST and disbursements) for legal services provided to the Company.

8.8 Consents

Chapter 6D of the Corporations Act imposes a liability regime on the Company (as the offeror of the Securities), the Directors, the persons named in the Prospectus with their consent as Proposed Directors, any underwriters, persons named in the Prospectus with their consent having made a statement in the Prospectus and persons involved in a contravention in relation to the Prospectus, with regard to misleading and deceptive statements made in the Prospectus. Although the Company bears primary responsibility for the Prospectus, the other parties involved in the preparation of the Prospectus can also be responsible for certain statements made in it.

Each of the parties referred to in this Section:

- (a) does not make, or purport to make, any statement in this Prospectus other than those referred to in this Section; and
- (b) in light of the above, only to the maximum extent permitted by law, expressly disclaims and takes no responsibility for any part of this Prospectus other than a reference to its name and a statement included in this Prospectus with the consent of that party as specified in this Section.

Steinepreis Paganin has given its written consent to being named as the solicitors to the Company in this Prospectus. Steinepreis Paganin has not withdrawn its consent prior to the lodgement of this Prospectus with the ASIC.

BDO has given its written consent to being named as the auditor of the Company and to the inclusion of the audited accounts as at 30 June 2021 in Section 5.4. BDO has not withdrawn its consent prior to the lodgement of this Prospectus with the ASIC.

8.9 Estimated expenses of Offers

The total expenses of the Placement and Offers are estimated to be approximately \$73,240 (excluding GST) and are expected to be applied towards the items set out in the table below:

Expense	(\\$)
ASIC Fees	3,206
ASX Fees	15,034
Legal Fees	10,000
Miscellaneous, printing and other expenses	45,000
Total	73,240

8.10 Electronic Prospectus

ASIC has exempted compliance with certain provisions of the Corporations Act to allow distribution of an electronic prospectus and electronic application form on the basis of a paper prospectus lodged with the ASIC, and the publication of notices referring to an electronic prospectus or electronic application form, subject to compliance with certain conditions.

If you have received this Prospectus as an electronic Prospectus, please ensure that you have received the entire Prospectus accompanied by the Application Form. If you have not, please phone the Company on +61 2 6162 2792 and the Company will send you, for free, either a hard copy or a further electronic copy of the Prospectus, or both.

The Company reserves the right not to accept an Application Form from a person if it has reason to believe that when that person was given access to the electronic Application Form, it was not provided together with the electronic Prospectus and any relevant supplementary or Prospectus or any of those documents were incomplete or altered.

8.11 Clearing House Electronic Sub-Register System (CHESS) and Issuer Sponsorship

The Company will not be issuing Share certificates. The Company is a participant in CHESS, for those investors who have, or wish to have, a sponsoring stockbroker. Investors who do not wish to participate through CHESS will be issuer sponsored by the Company. Because the sub-registers are electronic, ownership of securities can be transferred without having to rely upon paper documentation.

Electronic registers mean that the Company will not be issuing certificates to investors. Instead, investors will be provided with a statement (similar to a bank account statement) that sets out the number of Shares issued to them under this Prospectus. The notice will also advise holders of their Holder Identification Number or Security Holder Reference Number and explain, for future reference, the sale and purchase procedures under CHESS and issuer sponsorship.

Further monthly statements will be provided to holders if there have been any changes in their security holding in the Company during the preceding month.

8.12 Privacy Act

If you complete an application for Shares, you will be providing personal information to the Company. The Company collects, holds and will use that information to assess your application, service your needs as a Shareholder, facilitate distribution payments and corporate communications to you as a Shareholder and carry out administration.

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

You can access, correct and update the personal information that we hold about you. Please contact the Company if you wish to do so at the relevant contact numbers set out in this Prospectus.

Collection, maintenance and disclosure of certain personal information is governed by legislation including the Privacy Act 1988 (Cth) (as amended), the Corporations Act and certain rules such as the ASX Settlement Operating Rules. You should note that if you do not provide the information required on the application for Shares, the Company may not be able to accept or process your application.

9. DIRECTORS' AUTHORISATION

This Prospectus is issued by the Company and its issue has been authorised by a resolution of the Directors.

In accordance with section 720 of the Corporations Act, each Director has consented to the lodgement of this Prospectus with the ASIC.



Mr Scott Macmillan
Managing Director
For and on behalf of
INVICTUS ENERGY LTD

10. DEFINITIONS

\$ means Australian dollars.

Applicant means an investor who applies for Securities pursuant to the Offers.

Application Form means an application form either attached to or accompanying this Prospectus pursuant to which an Applicant is capable of accepting the relevant Offer.

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited (ACN 008 624 691) or the financial market operated by it, as the context requires.

ASX Listing Rules means the listing rules of the ASX.

ASX Settlement Operating Rules means the settlement rules of the securities clearing house which operates CHESS.

Board means the board of Directors unless the context indicates otherwise.

Broker Offer has the meaning given to that term on the cover page of this Prospectus.

Business Day means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day and any other day that ASX declares is not a business day.

Closing Date means the date specified in the timetable in Section 2.1 of this Prospectus (unless extended or brought forward).

Company means Invictus Energy Ltd (ACN 150 956 773).

Constitution means the constitution of the Company as at the date of this Prospectus.

Corporations Act means the Corporations Act 2001 (Cth).

Directors means the directors of the Company as at the date of this Prospectus.

Eligible Shareholder has the meaning given to that term in Section 3.2.1.

Entitlement means the entitlement of an Eligible Shareholder to participate in the SPP Offer.

Offers means the SPP Offer and the Placement Options Offer.

Official Quotation means official quotation on ASX.

Option means an option to acquire a Share.

Placement has the meaning given to that term in Section 3.1.

Placement Options Offer has the meaning given to that term on the cover page of this Prospectus.

Placement Options Offer Closing Date means the date specified in the timetable in Section 2.1 of this Prospectus (unless extended or brought forward) on which the Placement Options Offer and the Broker Offer will close.

Prospectus means this prospectus.

Record Date means the record date of the SPP, being 5.00pm (WST) on 24 December 2021.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a shareholder of the Company.

Share Registry means Link Market Services.

SPP means security purchase plan.

SPP Application Form means the Application Form for the SPP.

SPP Closing Date means the closing date of the SPP Offer.

SPP Offer has the meaning given to that term on the cover page of this Prospectus.

SPP Option means an Option issued pursuant to the SPP Offer.

WST means western standard time as observed in Perth, Western Australia.