

RNS Announcement

22 February 2023
AIM: SYN

Convertible Loan Agreement

Synergia Energy Ltd (AIM: SYN) (the "**Company**") is pleased to advise that it has entered into a convertible loan agreement with certain sophisticated and/or professional existing and new shareholders to secure a new convertible loan facility of £650,000 (the "**Convertible Loan**").

Summary of Key Terms of the Convertible Loan

Maturity Date:	13 February 2024
Option Date:	13 November 2023
Interest Rate:	5%
Conversion Terms:	Option to convert the loan and interest payable (to that point) in the period between the Option Date and the Maturity Date. If conversion elected, loan principal and accrued interest is payable by the Company in new fully paid ordinary shares (" Common Shares ") at a £0.0008 conversion price, equating to a maximum issue of, in aggregate, 853,125,000 new Common Shares. No option for the Company to elect to repay ahead of Maturity Date, or for the Company to elect repayment to be made in cash.
Security:	Unsecured
Arrangement fee:	None

Standard form representations and warranties have been agreed between the Company and the Convertible Loan lenders. The Convertible Loan proceeds are expected to be received by 28 February 2023 and will be applied to general working capital purposes.

Related Party Transaction

Republic Investment Management Pte Ltd ("**Republic**") participated in £326,000 of the Convertible Loan and accordingly will be issued a maximum of 407,500,000 new Common Shares at Maturity (in the event that it elects to convert the principal and accrued interest at that time). Republic has a current shareholding in the Company of 16.8% and is therefore categorised as a Substantial Shareholder of the Company pursuant to the AIM Rules for Companies ("**AIM Rules**"). Accordingly, entering into the Convertible Loan with Republic is classified as a related party transaction pursuant to the AIM Rules.

The Directors of the Company, having consulted with Strand Hanson Limited, the Company's Nominated Adviser, consider that the terms of the Convertible Loan with Republic are fair and reasonable insofar as the Company's shareholders are concerned.

Additionally, Republic has confirmed that it is a 'sophisticated investor', 'professional investor' or otherwise exempt investor for the purposes of section 708 of the *Corporations Act 2001* (Cth) ("**Corporations Act**") and that its 'voting power' (along with its 'associates') will not increase from 16.8% to above 20%, for the purposes of Part 6.1 of the Corporations Act.

For further information, please contact:

Investor Enquires
Synergia Energy Ltd

Briana Stayt
Investor Relations
Email:
bstayt@synergiaenergy.com
Tel: +61 8 9485 3200
Australia

AIM Broker
Novum Securities

Broker
Colin Rowbury
Email:
crowbury@novumsecurities.com
Tel: +44 20 7399 9427
UK

AIM Nominated Adviser
Strand Hanson Limited

Nominated Adviser
Ritchie Balmer/ Rory
Murphy
Tel: +44 20 7409 3494
UK

Media Enquires (UK)
Vigo Consulting

Investor Relations
Patrick d'Ancona / Finlay Thomson
Email:
patrick.dancona@vigoconsulting.com
finlay.thomson@vigoconsulting.com
Tel: + 44 20 7390 0230 UK