

23 February 2016

Dear Shareholder

Pura Vida Energy NL - Pro-rata Non-renounceable Entitlement Issue

As announced on Monday, 22 February 2016, Pura Vida Energy NL (ABN 11 150 624 169) (**Pura Vida** or the **Company**) is undertaking a pro-rata non-renounceable entitlement issue of one (1) New Share for every three (3) existing Shares held resulting in the issuing of approximately 63,251,274 fully paid ordinary shares (**New Shares**) in order to raise approximately \$1.7 million (before costs and fees) (**Offer**). The price of New Shares under the Offer is \$0.027 each.

The Offer is being made to all shareholders of the Company recorded on its register of members at 5.00pm (AWST) on Monday, 29 February 2016 (**Record Date**), whose registered address is in Australia, New Zealand and the United Kingdom (**Eligible Shareholders**).

The Offer will be made pursuant to an Entitlement Offer Document (**Offer Document**) and if you are eligible and wish to participate in the Offer, you will need to complete your personalised Entitlement and Acceptance Form that will accompany the Offer Document.

Shareholders will also be invited to apply for additional New Shares (**Excess Shares**) in excess of their entitlement (**Excess Entitlement Facility**) if there is a shortfall between applications received from Eligible Shareholders and the number of New Shares proposed to be issued under the Offer. Excess Shares will be issued at an issue price of \$0.027 per New Share.

The Offer Document was lodged with ASX on Monday, 22 February 2016 and is expected to be dispatched on Wednesday, 2 March 2016 to Eligible Shareholders with a registered address in Australia, New Zealand and the United Kingdom and who hold Shares as at 5.00 pm (AWST) on the Record Date.

The proposed timetable for the Offer is as follows:

Event	Date
Announcement of Offer, Offer Document, Appendix 3B and First Cleansing Notice	Monday, 22 February 2016
Notice sent to Security holders	Tuesday, 23 February 2016
Ex Date (date from which securities commence trading without the entitlement to participate in the Offer)	Thursday, 25 February 2016
Record Date (date for determining entitlements of Eligible Shareholders to participate in the Offer)	Monday, 29 February 2016
Offer Opens and Offer Document dispatched to Shareholders (expected date of dispatch of Offer Document and Entitlement and Acceptance Form)	Wednesday, 2 March 2016
Closing Date ¹ 5.00pm (AWST)	Thursday, 24 March 2016
New Shares quoted on a deferred settlement basis	Tuesday, 29 March 2016
ASX notified of under subscriptions	Thursday, 31 March 2016
Issue Date ² Second Cleansing Notice lodged with ASX (under section 708A(5))	Monday, 4 April 2016
Dispatch Holding Statements ²	Tuesday, 5 April 2016

¹ Subject to the ASX Listing Rules, the Directors reserve the right to extend the Closing Date for the Offer at their discretion. Should this occur, the extension will have a consequential effect on the anticipated date of issue for the Securities.

² Dates are indicative only.

Pursuant to the ASX Listing Rules, Pura Vida is required to provide you with certain information before proceeding with the Offer. This letter contains all the information required by Appendix 3B of the ASX Listing Rules.


1. Approximately 63,251,274 New Shares will be issued pursuant to the Offer (subject to the rounding of fractional entitlements to New Shares).
2. The New Shares will rank equally in all respects from the date of allotment with the existing class of quoted Shares.
3. The issue price of the New Shares will be \$0.027 each.
4. Pura Vida will apply for quotation of the New Shares issued pursuant to the Offer on the official list of the ASX.
5. The funds raised from the Offer (after costs and fees) together with other funds the Company has access to will be used to primarily fund the Company's capital expenditure on exploration costs (including new ventures) and working capital.
6. It is anticipated that the New Shares will be issued on Monday, 4 April 2016.
7. The total number and class of all securities quoted on ASX (including the maximum number of Shares to be issued under the Offer) is as follows:

Shares	Number
Shares on issue at the Announcement Date	189,232,393
Shares offered under the Offer	63,251,274
Total Shares on issue on completion of the Offer	252,483,667

8. Only shareholders with a registered address in Australia, New Zealand and the United Kingdom will be sent the Offer Document. In compliance with Listing Rule 7.7.1, Pura Vida has decided that it is unreasonable to make the Offer to shareholders with registered addresses outside of a limited number of jurisdictions (non-eligible shareholders) having regard to each of the following:
 - the number of those security holders registered;
 - the number and value of the securities that would have been offered to those security holders; and
 - the cost of complying with the legal requirements and requirements of regulatory authorities in some overseas jurisdictions.
9. The closing date for receipt of acceptances is 5.00 pm (AWST) on Thursday, 24 March 2016.
10. Hartleys Limited (**Hartleys**) is the Lead Manager to the Offer and Advantage Management Pty Ltd (**Advantage**) is the Co-Manager to the Offer. Hartleys and Advantage will receive fees of 6% of the amount raised under the Offer and Shortfall from investors introduced by them (excluding GST) to be settled in cash or script. Further detail regarding the arrangements with Hartleys and Advantage are outlined in Sections 1.11 and 1.12 of the Offer Document.
11. The Offer Document and a notice under section 708AA (2)(f) of the Corporations Act have been lodged with the ASX on or about Monday, 22 February 2016. The Offer Document is available on the ASX website and the Offer Document and the Entitlement and Acceptance Forms are expected to be dispatched to eligible shareholders on Wednesday, 2 March 2016.
12. The latest date for dispatch of Holding Statements for the New Shares subscribed for is Tuesday, 5 April 2016.

If you have any queries regarding your entitlement or participation in the upcoming Offer, please contact me on + 61 8 9226 2011.

Kind regards


DENNAE LONT
COMPANY SECRETARY