

Fremont Petroleum Corporation Completes \$1.7M Placement

- Funds to be allocated to 2017 Development Drilling Program
- Drilling to commence in coming weeks.

Fremont Petroleum Corporation Ltd (ASX: FPL) (“Fremont” or “the Company”) advises that it has completed a placement of its securities (**Placement**) to raise AUD\$1.7 million (before costs) to advance the development of the Company’s oil project in Fremont County, Colorado.

The Placement will comprise the issue of 48,900,000 shares (**Tranche 1 Shares**) to sophisticated and professional investors at an issue price of \$0.02 per share, together with one free attaching options for every two shares subscribed for and issued under the Placement (**Tranche 1**). The options will be unquoted options exercisable at \$0.045 each on or before 15 July 2018.

Xcel Capital Pty Ltd is acting as Lead Manager to the Placement.

The issue of the Tranche 1 Shares under the Placement will be issued out of the Company's placement capacities pursuant to ASX Listing Rule 7.1 and 7.1A.

The Company will also seek shareholder approval to approve the issue of up to a further 50,000,000 shares (**Tranche 2**) and 49,450,000 options (the attaching options for both placement tranches) at a General Meeting of shareholders to be held in August 2017.

The funds raised from the Placement will be allocated to drilling further development wells at the Pathfinder project and for working capital.

In accordance with listing rule 3.10.5A in relation to shares issued under the company’s 7.1A capacity details of the placement are:

Effect of raising

The effect of the announced raising on the capital structure of the Company is set out below.

Shares

	Number	Dilution ¹
Shares currently on issue	198,122,735	
Placement – Tranche 1		
Shares to be issued under LR7.1 placement capacity	29,087,726	11.78%
Shares to be issued under LR7.1A placement capacity	19,812,274	8.02%
Total Shares on issue after completion of Tranche 1	247,022,735	

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	Number	Dilution ¹
Placement – Tranche 2		
Shares to be issued after shareholder approval at August 2017 General Meeting	50,000,000	16.83%
Total Shares on issue after completion of Tranche 1 and Tranche 2	297,022,735	33.30%

¹. Assuming no further Shares are issued or Options exercised

Options

	Number
Options currently on issue - exercisable at \$0.30 on or before 18 September 2017	2,071,297
Options currently on issue - exercisable at \$0.10 on or before 30 June 2019	4,840,000
Options currently on issue - exercisable at \$0.06 on or before 30 June 2019	74,088,963
Tranche 1 - Options - exercisable at \$0.045 on or before 15 July 2018	24,450,000
Tranche 2 - Options - exercisable at \$0.045 on or before 15 July 2018	25,000,000
Total Options on issue after completion of the Placement	130,450,260

The Board believe the benefits flowing from funds being raised quickly in this placement outweigh the inability of shareholders to participate. The additional funds will allow further drilling and development at the Company's project in Colorado and additional working capital.

Direct costs of the raising are a 6% (plus GST) commission on funds raised under the Placement.

Fremont has finalised the surface use agreement with the land owners and construction of the drill-site is underway, with drilling expected to commence in the coming weeks.

The Bird #13-18 well has been designed using a combination 3D seismic technology and highly advanced surface geochemistry. The combination of these two technologies has detected a hydrocarbon accumulation in the area which will be targeted with the upcoming drilling program.

The Company will provide operational updates throughout drilling operations.

- ENDS -

ABOUT FREMONT PETROLEUM CORPORATION LTD

Fremont Petroleum Corporation (FPC) is an Oil & Gas Production and Development company. The company was founded in 2006 and is headquartered in Florence Colorado USA with its Australian office located in Sydney Australia. The company has operations in Colorado and Kentucky and interests in two wells Texas.

Driven by a world-class team, the primary focus area is the 2nd oldest oilfield in the US located in Fremont County Colorado. The Florence Oil field was discovered in 1881 with the likes of Standard Oil & Continental Oil (Conoco) at the helm of production. With the advent of new technology, the Florence Oil field is one of the most economic fields in the US, and is much larger and even more prolific than originally understood.

The company's wholly-owned US Subsidiary, AusCo Petroleum Inc. is headquartered in Florence Colorado and operates a Business Unit in Kentucky. FPC is listed on the Australian Securities Exchange (ASX code: FPL).

DISCLAIMER:

This announcement contains or may contain “forward looking statements” within the meaning of Section 27A of the Securities Act of 1933 and Section 21B of the Securities Exchange Act of 1934. Any statements that express or involve discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, goals, assumptions or future events or performance are not statements of historical fact and may be “forward looking statements.” Forward looking statements are based on expectations, estimates and projections at the time the statements are made that involve a number of risks and uncertainties which could cause actual results or events to differ materially from those presently anticipated. Forward looking statements in this action may be identified through the use of words such as “expects”, “will,” “anticipates,” “estimates,” “believes,” or statements indicating certain actions “may,” “could,” or “might” occur. Oil production rates fluctuate over time due to reservoir pressures, depletion or down time for maintenance. The Company does not represent that quoted production rates will continue indefinitely.

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