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29 September 2025

Invitation to Participate in Share Purchase Plan

Dear Eligible Shareholder,

On 29 August 2025, Blue Energy Limited (ASX: BLU) ("**Blue Energy**" or the "**Company**") announced that it had received firm commitments for a placement of fully paid ordinary shares in the Company (**Shares**) at a price of $0.005 per Share to institutional and sophisticated investors to raise approximately $3.2million (**Placement**). In conjunction with this announcement the Company announced an offer for shareholders to participate in a share purchase plan (**SPP**) to subscribe for fully paid shares (**SPP Shares**) in the Company (**SPP Offer**).

The SPP Offer was subject to the ASX granting a waiver, which has now been secured.

The board of Directors (**Board**) is now pleased to offer you the opportunity to participate in the SPP Offer which allows eligible shareholders to subscribe for up to $30,000 of SPP Shares in Blue Energy at a price of $0.005 per share.

The SPP Offer Booklet with the terms and conditions for the SPP Offer was lodged on the ASX trading platform today (**Offer Booklet**).

Shareholders Eligible to Participate in the SPP Offer

Participation under the SPP Offer is optional and is available exclusively to shareholders of the Company who are registered as holders of shares at 7.00 pm (AEST) on Thursday, 28 August 2025 (**Record Date**) and whose registered address is in Australia or New Zealand are not located in the United States and are not acting for the account or benefit of persons in the United States (**Eligible Shareholders**).

Share Purchase Plan

The SPP Offer entitles Eligible Shareholders, irrespective of the size of their shareholding, to purchase up to $30,000 worth of SPP Shares at an issue price of $0.005 (**Issue Price**) per SPP Share. The Issue Price represents a discount of 44.4 % to the closing price of BLU shares on 26 August 2025 (the day prior to the Company entering into trading halt pending the announcement of the Placement) and a discount of 43.1% to the 10-day volume weighted average price (VWAP) as at that date.

The Board reserves the right to reject or scale back any applications in whole or in part at its absolute discretion (Scale Back). If there is a Scale Back, you may not receive all the SPP Shares for which you have applied. In the event of a Scale Back, excess funds will be returned to applicants, without interest. Please refer to the SPP Offer Booklet for further information regarding the Scale Back.

Currently the SPP aims to raise up to a maximum of $250,000 being a maximum of 50,000,000 SPP Shares. However, the Company reserves the right to accept oversubscriptions, subject to compliance with the ASX Listing Rules and the Corporations Act 2001 (Cth) in its sole and absolute discretion.

How to Apply for Shares under the SPP Offer

To apply for SPP Shares under the SPP Offer, please visit:

www.computersharecas.com.au/blusppoffer

and using your Holder Identification (**HIN**) or Security Reference Number (**SRN**), state and postcode to access your unique BPAY details.

At that location you will be able to view the Offer Booklet and access your individual Application Form.

Eligible Shareholders based in New Zealand unable to pay via BPAY can pay via Electronic Funds Transfer (**EFT**) by visiting www.investorcentre.com/au and accessing their personalised Application Form with EFT instructions to make payment for the SPP Offer.

Eligible Shareholders may participate by selecting only one of the following options to purchase SPP Shares under the SPP Offer:

Option	Dollar Value of SPP Shares	Number of SPP Shares +
1	$2,000	400,000
2	$5,000	1,000,000
3	$7,500	1,500,000
4	$10,000	2,000,000
5	$15,000	3,000,000
6	$20,000	4,000,000
7	$30,000	6,000,000

+ Based on the issue price of $0.005 per share

Once an application has been made it cannot be revoked. If the exact amount of money is not tendered with your application, the Company reserves the right to either:

a) return your payment and not allot any SPP Shares to you; or

b) allot to you the number of SPP Shares that would have been allotted had you applied for the highest designated amount that is less than the amount of your payment and refund the excess application money to you by electronic funds transfer as soon as possible, without interest.

Issue Price and Market Price

The Company's rationale for pricing the SPP Shares under the SPP Offer at $0.005 is to ensure that Company's Eligible Shareholders are provided the opportunity to participate in the capital raise announced to the ASX on 29 August 2025 at the same price paid by Institutional and Sophisticated investors under the Placement.

The Issue Price represents a discount of 44.4 % to the closing price of BLU shares on 26 August 2025 (the day prior to the Company entering into trading halt pending the announcement of the Placement) and a discount of 43.1 % to the 10-day VWAP as at that date.

The market price of SPP Shares in the Company may rise and fall between the date of the SPP Offer and the date that any SPP Shares are issued to you as a result of your application under the SPP Offer.

For an SPP to fall within the exception to the 15% issue capacity under ASX Listing Rule 7.1 as set out in ASX Listing Rule 7.2 (Exception 5), the issue price of shares under the SPP must be more than 80% of the average market price of the company's shares calculated over the 5 days on which sales occurred prior to the announcement of the SPP. In addition, the company may only carry out one SPP in any 12-month period.

As announced 29 August 2025, as the Issue Price of the SPP Shares did not meet the minimum pricing requirement as set out in ASX Listing Rule 7.2 (Exception 5) an application for a waiver to the ASX was made.

ASX has granted the Company a waiver of Listing Rules 7.1 to the extent necessary to permit the Company to issue the Shares the subject of the SPP at an issue price lower than 80% of the five-day volume weighted average market price prior to the date of announcement of the SPP. This means that the Company can offer Eligible Shareholders SPP Shares under the SPP at the same issue price as the Placement.

By making an application under this SPP Offer and applying for SPP Shares under the SPP Offer:

(a) each Eligible Shareholder will be acknowledging that SPP Shares are a speculative investment and the price of shares on ASX may change between the date of the Company announcing its intention to make the SPP Offer and the date of issue of SPP Shares under that SPP Offer and that the value of the SPP Shares received under the SPP Offer may rise or fall accordingly; and

(b) each Eligible Shareholder will be representing to the Company that the total of the application price for this SPP Offer (as provided for in Instrument 2019/547) does not exceed $30,000.

The Board recommends that you obtain your own financial and taxation advice in relation to the SPP Offer and consider price movements of shares in the Company prior to making an application under this SPP Offer.

Foreign offer restrictions

This document may not be released or distributed in any country other than Australia and New Zealand. This document does not constitute an offer to sell, or a solicitation of an offer to buy, securities in any other country.

New Zealand Shareholders

The SPP Shares offered under the SPP Offer are not being offered or sold to the public within New Zealand other than to existing shareholders of the Company with registered addresses in New Zealand and to whom the SPP Offer is being made in reliance on the *Financial Markets Conduct (Incidental Offers) Exemption Notice 2021* (New Zealand).

This document has not been registered, filed with or approved by any New Zealand regulatory authority under the *Financial Markets Conduct Act 2013* (New Zealand). This document is not a product disclosure statement under New Zealand law and is not required to, and may not, contain all the information that a product disclosure statement under New Zealand law is required to contain.

Indicative Timetable*

Event	Date
Record Date (for determining eligibility to participate in SPP Offer)	7.00pm AEST Thursday, 28 August 2025
Announcement of SPP Offer	Friday, 29 August 2025
Issue of Shares under Tranche 1 of the Placement, lodge Appendix 2A and Placement Cleansing Notice	Monday, 8 September 2025
SPP Offer Booklet lodged with ASX	Monday, 29 September 2025
SPP Offer Opening Date	Monday, 29 September 2025
SPP Offer Closing Date	Monday, 20 October 2025
Announcement of the number of SPP Shares to be issued under the SPP Offer and, if applicable, the outcome of any Scale-back	Friday, 24 October 2025
Issue of SPP Shares under the SPP Offer	Friday, 24 October 2025
Expected date for ASX to grant quotation of SPP Shares issued under SPP Offer	Monday, 27 October 2025
Despatch of transaction confirmations and, if applicable, a direct credit deposit or refund cheque	Friday, 31 October 2025

Further Information

If you have any queries regarding the SPP Offer, please contact the Company Secretary on either info@blueenergy.com.au or by phone during office hours +61 7 3270 8800

Yours sincerely

John Ellice-Flint
Chairman
Blue Energy Limited