



February 9, 2017

CHAIRMAN'S UPDATE

It gives me great pleasure to provide an update on your Company for the first time as Executive Chairman of East West Energy Limited. We have been working hard over the holiday period to ensure we hit the ground running in 2017.

Annual General Meeting and Meeting of Shareholders of Convergent Minerals Limited

On the 16th of December 2016, we held the 2015 Annual General Meeting in conjunction with a meeting of Shareholders. All resolutions were passed unanimously by shareholders (by proxy and in person) and a new Board was elected comprising:

- Mr. Mitchell McGeorge;
- Dr. Scott Brownlaw;
- Mr. Vick Dusik; and
- Mr. John Reader.

At a subsequent Board Meeting on the 19th of December, I was elected Chairman.

Since our shareholder meeting, the board and management have been working hard to achieve our plans to recapitalise the Company. As promised we have:

- brought the Company out of external administration,
- re-established a pathway to shareholder value,
- completed the capital restructure, and
- changed the Company name to East West Energy Limited.

January & February 2017

The month of January and early part of February was spent largely in administration with such tasks as:

- changing address and informing appropriate authorities of new administrative details;
- opening bank accounts;
- getting the accounting system up to date;
- beginning half-yearly audit;
- lodging outstanding documentation from the Company's time in administration.

Moving Forward

Since we agreed with the Administrator in January last year to acquire the ASX shell of Convergent Minerals Limited, we have undertaken an intensive review of many oil and gas projects in the Mid-Continent ("Mid-Con") region of the United States and areas of Western Canada, thought appropriate for acquisition. We are very positive about the energy sector and believe now is a great time to acquire distressed North American onshore oil & gas assets as production, acquisition and drilling costs remain low in our areas of interest.

Our objectives have always been to seek low cost and low risk assets in known oil fields with which we can apply new technologies to capitalise on the commodity price recovery. Further, we are increasingly encouraged that any US assets will be able to take advantage of the new Administration's renewed energy focus and may further benefit from any proposed changes to US corporate tax rates.

Latest News - East West Energy to acquire a US based E&P Company

To that end, we are pleased to advise we have signed a Letter of Intent to acquire a US based E&P Company. The target company holds production, development and exploration assets and over 120 square miles of proprietary and licenced 3D seismic. Due to commercial sensitivities, the broader details of the transaction remain confidential, but rest assured the asset falls well within our strict selection criteria.

We will move to finalise the terms of the acquisition in the coming weeks, with the completion subject to Shareholder approval.

The acquisition and future drilling will be funded through a general offer of shares as a part of recapitalisation plan for the Company. This asset will provide us with a strategic presence in several prolific petroleum basins with current production, early operational activity and an existing long-term drilling program.

Our focus remains on acquiring the right assets to grow the Company and maximise long term shareholder returns.

We are on our way and, rest assured, there is more to come.

For further information, please contact Dr Scott Brownlaw, Executive Director & CEO, on +61 2 8211 0490 or refer to www.eastwestenergy.com.au.

Sincerely

A handwritten signature in black ink, appearing to read 'Mitchell McGeorge', with a stylized flourish at the end.

Mitchell McGeorge
Executive Chairman
East West Energy Limited