
FREMONT PETROLEUM CORPORATION LTD

ACN 114 198 471

NOTICE OF GENERAL MEETING

Notice is given that the Meeting will be held at:

TIME: 12 pm (Sydney Time)
DATE: Thursday 24 May 2018
PLACE: Boardroom Pty Limited
Level 12, Grosvenor Place
225 George Street, Sydney NSW 2000

The business of the Meeting affects your shareholding and your vote is important.

This Notice of Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered Shareholders at 7.00 pm (Sydney Time) on Tuesday 22 May 2018.

BUSINESS OF THE MEETING

AGENDA

1. **RESOLUTION 1 – RATIFICATION OF PRIOR ISSUE OF PLACEMENT SHARES UNDER LISTING RULE 7.1**

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 42,860,000 Shares on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of a person who participated in the issue or any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

2. **RESOLUTION 2 – RATIFICATION OF PRIOR ISSUE OF PLACEMENT SHARES UNDER LISTING RULE 7.1A**

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 28,854,286 Shares on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of a person who participated in the issue or any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

3. **RESOLUTION 3 – RATIFICATION OF PRIOR ISSUE OF BROKER OPTIONS UNDER LISTING RULE 7.1**

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 17,000,000 Options on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of a person who participated in the issue or any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

4. **RESOLUTION 4 – APPROVAL TO ISSUE PLACEMENT OPTIONS TO PLACEMENT PARTICIPANTS**

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purposes of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue up to 143,000,000 Options on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of a person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person (or those persons). However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

5. **RESOLUTION 5 – APPROVAL TO ISSUE SPP OPTIONS TO SPP OFFER PARTICIPANTS**

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purpose of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue up to 38,521,409 SPP Options to Shareholders who successfully apply for SPP Shares under the Company’s Share Purchase Plan, on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: (In the absence of a waiver being granted by ASX under Listing Rule 7.3.8 to permit any person who has an interest in Resolution 5 and ordinarily excluded from voting on Resolution 5 to vote), the Company will disregard any votes cast on this Resolution by a person who may participate in the proposed issue and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if the resolution is passed, and any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

If ASX grant the aforementioned waiver, the Company will advise by ASX announcement prior to the date of the Meeting.

6. **RESOLUTION 6 – APPROVAL TO ISSUE SPP OPTIONS TO STUART MIDDLETON**

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purposes of ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue 1,071,429 SPP Options to Stuart Middleton (or his nominee) on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion Statement: The Company will disregard any votes cast in favour of the Resolution by or on behalf of Stuart Middleton (or his nominee) or any of their associates. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

7. RESOLUTION 7– APPROVAL TO ISSUE SPP OPTIONS TO ANDREW BLOW

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purposes of ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue 357,143 SPP Options to Andrew Blow (or his nominee) on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion Statement: The Company will disregard any votes cast in favour of the Resolution by or on behalf of Andrew Blow (or his nominee) or any of their associates. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

8. RESOLUTION 8 – APPROVAL TO ISSUE SPP OPTIONS TO GUY GOUDY

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purposes of ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue 1,071,429 SPP Options to Guy Goudy (or his nominee) on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion Statement: The Company will disregard any votes cast in favour of the Resolution by or on behalf of Guy Goudy (or his nominee) or any of their associates. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

9. RESOLUTION 9 – APPROVAL TO ISSUE SHARES AND OPTIONS TO TIMOTHY HART

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purposes of ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue 2,142,858 Shares and 1,071,429 SPP Options to Timothy Hart (or his nominee) on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion Statement: The Company will disregard any votes cast in favour of the Resolution by or on behalf of Timothy Hart (or his nominee) or any of their associates. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

10. RESOLUTION 10 – APPROVAL TO ISSUE SHARES AND OPTIONS TO SAMUEL JARVIS

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purposes of ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue 2,142,858 Shares and 1,071,429 SPP

Options to Samuel Jarvis (or his nominee) on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion Statement: The Company will disregard any votes cast in favour of the Resolution by or on behalf of Samuel Jarvis (or his nominee) or any of their associates. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

11. RESOLUTION 11 – APPROVAL TO ADOPT EMPLOYEE SHARE PLAN

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That, for the purposes of ASX Listing Rule 7.2 (Exception 9(b)) and for all other purposes, approval is given for the Company to adopt an employee incentive scheme titled Employee Share Plan and for the issue of securities under that Plan, on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of any Director except one who is ineligible to participate in any employee incentive scheme in relation to the Company, or any associates of those Directors. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

Voting Prohibition Statement:

A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- (a) the proxy is either:
 - (i) a member of the Key Management Personnel; or
 - (ii) a Closely Related Party of such a member; and
- (b) the appointment does not specify the way the proxy is to vote on this Resolution.

However, the above prohibition does not apply if:

- (a) the proxy is the Chair; and
- (b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

12. RESOLUTION 12 – APPROVAL TO ISSUE SHARES TO TIMOTHY HART IN LIEU OF CASH PAYMENT FOR DIRECTOR FEES

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That, subject to the passing of Resolution 5, ASX Listing Rule 10.14 and for all other purposes, approval is given for the Company to issue up to 5,714,286 Shares to Mr Timothy Hart (or his nominee) on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion Statement: The Company will disregard any votes cast on this Resolution by any Director who is eligible to participate in the employee incentive scheme in respect of which approval is sought and, if ASX has expressed an opinion under rule 10.14.3 that approval is required for participation in an employee incentive scheme by anyone else, that person, and any associates of those Directors. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

Voting Prohibition Statement:

A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- (a) the proxy is either:
 - (i) a member of the Key Management Personnel; or
 - (ii) a Closely Related Party of such a member; and
- (b) the appointment does not specify the way the proxy is to vote on this Resolution.

However, the above prohibition does not apply if:

- (a) the proxy is the Chair; and
- (b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

13. RESOLUTION 13 – APPROVAL TO ISSUE SHARES TO STUART MIDDLETON IN LIEU OF CASH PAYMENT FOR DIRECTOR FEES

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, subject to the passing of Resolution 5, ASX Listing Rule 10.14 and for all other purposes, approval is given for the Company to issue up to 5,714,286 Shares to Mr Stuart Middleton (or his nominee) on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion Statement: The Company will disregard any votes cast on this Resolution by any Director who is eligible to participate in the employee incentive scheme in respect of which approval is sought and, if ASX has expressed an opinion under rule 10.14.3 that approval is required for participation in an employee incentive scheme by anyone else, that person, and any associates of those Directors. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

Voting Prohibition Statement:

A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- (a) the proxy is either:
 - (i) a member of the Key Management Personnel; or
 - (ii) a Closely Related Party of such a member; and
- (b) the appointment does not specify the way the proxy is to vote on this Resolution.

However, the above prohibition does not apply if:

- (a) the proxy is the Chair; and
- (b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

14. RESOLUTION 14 – APPROVAL TO ISSUE SHARES TO ANDREW BLOW IN LIEU OF CASH PAYMENT FOR DIRECTOR FEES

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, subject to the passing of Resolution 5, ASX Listing Rule 10.14 and for all other purposes, approval is given for the Company to issue up to 5,714,286 Shares to Mr Andrew Blow (or his nominee) on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion Statement: The Company will disregard any votes cast on this Resolution by any Director who is eligible to participate in the employee incentive scheme in respect of which approval is sought and, if ASX has expressed an opinion under rule 10.14.3 that approval is required for participation in an employee incentive scheme by anyone else, that person, and any associates of those Directors. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

Voting Prohibition Statement:

A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- (a) the proxy is either:
 - (i) a member of the Key Management Personnel; or
 - (ii) a Closely Related Party of such a member; and
- (b) the appointment does not specify the way the proxy is to vote on this Resolution.

However, the above prohibition does not apply if:

- (a) the proxy is the Chair; and
- (b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

15. RESOLUTION 15 – APPROVAL TO ISSUE SHARES TO SAMUEL JARVIS IN LIEU OF CASH PAYMENT FOR DIRECTOR FEES

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, subject to the passing of Resolution 5, ASX Listing Rule 10.14 and for all other purposes, approval is given for the Company to issue up to 4,571,429 Shares to Mr Samuel Jarvis (or his nominee) on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion Statement: The Company will disregard any votes cast on this Resolution by any Director who is eligible to participate in the employee incentive scheme in respect of which approval is sought and, if ASX has expressed an opinion under rule 10.14.3 that approval is required for participation in an employee incentive scheme by anyone else, that person, and any associates of those Directors. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

Voting Prohibition Statement:

A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- (a) the proxy is either:
 - (i) a member of the Key Management Personnel; or
 - (ii) a Closely Related Party of such a member; and
- (b) the appointment does not specify the way the proxy is to vote on this Resolution.

However, the above prohibition does not apply if:

- (a) the proxy is the Chair; and
- (b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

16. RESOLUTION 16 – APPROVAL TO ISSUE SHARES TO GUY GOUDY IN LIEU OF CASH PAYMENT FOR DIRECTOR FEES

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, subject to the passing of Resolution 5, ASX Listing Rule 10.14 and for all other purposes, approval is given for the Company to issue up to 5,714,286 Shares to Mr Guy Goudy (or his nominee) on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion Statement: The Company will disregard any votes cast on this Resolution by any Director who is eligible to participate in the employee incentive scheme in respect of which approval is sought and, if ASX has expressed an opinion under rule 10.14.3 that approval is required for participation in an employee incentive scheme by anyone else, that person, and any associates of those Directors. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

Voting Prohibition Statement:

A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- (a) the proxy is either:
 - (i) a member of the Key Management Personnel; or
 - (ii) a Closely Related Party of such a member; and
- (b) the appointment does not specify the way the proxy is to vote on this Resolution.

However, the above prohibition does not apply if:

- (a) the proxy is the Chair; and
- (b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

Dated: 10 April 2018
By order of the Board

Guy Goudy
Chairman

Voting in person

To vote in person, attend the Meeting at the time, date and place set out above.

Voting by proxy

To vote by proxy, please complete and sign the enclosed Proxy Form and return by the time and in accordance with the instructions set out on the Proxy Form.

In accordance with section 249L of the Corporations Act, Shareholders are advised that:

- each Shareholder has a right to appoint a proxy;

- the proxy need not be a Shareholder of the Company; and
- a Shareholder who is entitled to cast 2 or more votes may appoint 2 proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the member appoints 2 proxies and the appointment does not specify the proportion or number of the member's votes, then in accordance with section 249X(3) of the Corporations Act, each proxy may exercise one-half of the votes.

Shareholders and their proxies should be aware that changes to the Corporations Act made in 2011 mean that:

- if proxy holders vote, they must cast all directed proxies as directed; and
- any directed proxies which are not voted will automatically default to the Chair, who must vote the proxies as directed.

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on +61 2 9299 9580.

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions.

1. BACKGROUND TO THE CAPITAL RAISING

On 26 February 2018, the Company announced a capital raising comprising:

- (a) a placement to professional and sophisticated investors to raise \$2 million (**Placement**); and
- (b) an offer to shareholders of the Company in Australia or New Zealand who hold shares as at the Record Date (**Eligible Shareholders**) via a Share Purchase Plan (**SPP**) to raise up to \$500,000 and for successful applicants to have the right to apply for one Option (**SPP Options**) for every two Shares subscribed for under the SPP (**SPP Offer**),

(together, the **Capital Raising**).

The Company is seeking to raise up to a total of \$2,500,000 (before transaction costs) under the Capital Raising. The funds raised will be applied to strengthen the balance sheet, perform field development work to increase oil production and for general working capital purposes.

The Company issued the following Shares pursuant to the Placement:

- (a) 214,285,714 Shares on 23 February 2018 at an issue price of \$0.007 for which shareholder approval was obtained on 24 November 2017;
- (b) 21,714,286 Shares on 23 February 2018 at an issue price of \$0.007 out of the Company's annual placement capacity; and
- (c) 50,000,000 Shares on 28 February 2018 at an issue price of \$0.007 comprising 21,145,714 Shares out of the Company's annual placement capacity and 28,854,286 Shares out of the Company's additional 10% capacity,

being a total of 286,000,000 Shares (**Placement Shares**).

The terms of the Placement provide that one (1) free attaching Option is issued for every two (2) Shares subscribed for (**Placement Options**).

Resolutions 1 seeks ratification of the 21,714,286 Shares plus the 21,145,714 Shares, being a total of 42,860,000 Shares issued out of the Company's annual placement capacity.

Resolution 2 seeks ratification of 28,854,286 Placement Shares which were issued under the Company's additional 10% capacity.

Resolution 4 seeks Shareholder approval for the issue of the Placement Options. The Company will issue the Placement Options under a prospectus.

In conjunction with the Placement, the Company is providing an opportunity for Eligible Shareholders to participate in raising up to a further \$500,000 under the SPP Offer.

Under the SPP Offer, Eligible Shareholders may each apply for up to \$15,000 of new Shares at an issue price of \$0.007. Successful applicants under the SPP Offer will have the right to subscribe for one (1) free attaching Option for every two (2) Shares subscribed for and issued, consistent with the Placement. The Directors intend to participate in the SPP Offer.

Shares not taken up under the SPP will form the shortfall (**Shortfall**). The Directors reserve the right to issue any Shortfall at their discretion.

Resolution 5 seeks shareholder approval for the issue of the SPP Options to unrelated parties who participated in the SPP Offer.

Resolutions 6 to 8 seek shareholders' approval for the issue of the SPP Options to Directors. All directors have given their indication that they intend to participate in the SPP Offer. However, as Mr Timothy Hart and Mr Samuel Jarvis were not Eligible Shareholders as at the Record Date, because they were not registered holders in Australia or New Zealand, the Directors have resolved to issue Shares and Options separately to Mr Timothy Hart and Mr Samuel Jarvis on the same terms as the SPP Offer. Resolutions 9 and 10 seeks approval for the issue of \$15,000 worth of Shares (together with Options on a 1 for 2 basis) each to Mr Timothy Hart and Mr Samuel Jarvis.

The Company will issue the Options under a prospectus.

The Company will pay 5% (plus GST) commission on funds raised under the Placement and issue 17,000,000 Options (**Broker Options**) on the same terms as the Placement Options. The Company will issue the Broker Options out of its annual placement capacity and is seeking to ratify the issue under Resolution 3.

2. RESOLUTIONS 1 AND 2 – RATIFICATION OF PRIOR ISSUE OF PLACEMENT SHARES UNDER LISTING RULES 7.1 AND 7.1A

2.1 General

As set out above in Section 1, the Company issued a total of 286,000,000 Shares at an issue price of \$0.007 per Share to raise \$2 million. Of those Shares, 28,854,286 were issued pursuant to the Company's capacity under ASX Listing Rule 7.1A which was approved by Shareholders at the annual general meeting held on 24 November 2017 and 42,860,000 Shares were issued pursuant to the Company's capacity under ASX Listing Rule 7.1.

Resolutions 1 and 2 seek Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of those Shares (**Ratification**).

2.2 Resolution 1 – ASX Listing Rule 7.1

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more equity securities during any 12 month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period.

ASX Listing Rule 7.4 sets out an exception to ASX Listing Rule 7.1. It provides that where a company in general meeting ratifies the previous issue of securities made pursuant to ASX Listing Rule 7.1 (and provided that the previous issue did not breach ASX Listing Rule 7.1) those securities will be deemed to have been made with shareholder approval for the purpose of ASX Listing Rule 7.1.

By ratifying this issue, the Company will retain the flexibility to issue equity securities in the future up to the 15% annual placement capacity set out in ASX Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

2.3 Resolution 2 – ASX Listing Rule 7.1A

ASX Listing Rule 7.1A provides that in addition to issues permitted without prior shareholder approval under ASX Listing Rule 7.1, an entity that is eligible and obtains shareholder approval under ASX Listing Rule 7.1A may issue or agree to issue during the period for which the approval is valid a number of quoted equity securities which represents 10% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period as adjusted in accordance with the formula in ASX Listing Rule 7.1.

Where an eligible entity obtains shareholder approval to increase its placement capacity under ASX Listing Rule 7.1A then any ordinary securities issued under that additional placement capacity:

- (a) will not be counted in variable “A” in the formula in ASX Listing Rule 7.1A; and
- (b) are counted in variable “E”,

until their issue has been ratified under ASX Listing Rule 7.4 (and provided that the previous issue did not breach ASX Listing Rule 7.1A) or 12 months has passed since their issue.

By ratifying the issue the subject of Resolutions 1 and 2, the base figure (ie variable “A”) in which the Company’s 15% and 10% annual placement capacities are calculated will be a higher number which in turn will allow a proportionately higher number of securities to be issued without prior Shareholder approval.

2.4 Technical information required by ASX Listing Rule 7.4

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to the Ratification:

- (a) 71,714,286 Shares were issued on the following basis:
 - (i) 42,860,000 Shares issued pursuant to ASX Listing Rule 7.1; and
 - (ii) 28,854,286 Shares issued pursuant to ASX Listing Rule 7.1A;
- (b) the issue price was \$0.007 per Share under both the issue of Shares pursuant to ASX Listing Rule 7.1 and ASX Listing Rule 7.1A;
- (c) the Shares issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company’s existing Shares;
- (d) the Shares were issued to professional and sophisticated investors. None of these subscribers are related parties of the Company; and
- (e) the funds raised from this issue will be used to strengthen the balance sheet, perform field development work to increase oil production and for general working capital purposes.

2. RESOLUTION 3 – RATIFICATION OF PRIOR ISSUE OF BROKER OPTIONS

2.1 General

As announced on 26 February 2018, the Company agreed to issue 17,000,000 Options to brokers in consideration for brokerage services to assist the Company with the Placement. The Broker Options will be issued prior to the Meeting.

Resolution 3 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of those Options (**Ratification**).

A summary of ASX Listing Rule 7.1 and 7.4 is set out in section 2.2 above.

By ratifying this issue, the Company will retain the flexibility to issue equity securities in the future up to the 15% annual placement capacity set out in ASX Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

2.2 Technical information required by ASX Listing Rule 7.4

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to the Ratification:

- (a) 17,000,000 Options were issued;
- (b) the Options were issued for nil cash consideration in satisfaction of brokerage services;
- (c) the Options will be issued on the terms and conditions set out in Schedule 1;
- (d) the Options were issued to CPS Capital Pty Ltd, Alltime Nominees Pty Ltd, Xcel Capital Pty Ltd and Kato Ventures Pty Ltd, who are not related parties of the Company; and
- (e) no funds were raised from this issue as the Options were issued in consideration for brokerage services.

3. RESOLUTION 4 – APPROVAL TO ISSUE PLACEMENT OPTIONS TO PLACEMENT PARTICIPANTS

3.1 General

Resolution 4 seeks Shareholder approval for the issue of up to 143,000,000 Options for nil cash consideration to subscribers in the Placement on the basis of one Option for every two Share/s subscribed for and issued (exercisable at \$0.02 on or before 31 March 2020 (**Option Placement**)).

A summary of ASX Listing Rule 7.1 is set out in section 2.2 above.

The effect of Resolution 4 will be to allow the Company to issue the Options pursuant to the Option Placement during the period of 3 months after the Meeting (or a longer period, if allowed by ASX), without using the Company's 15% annual placement capacity.

3.2 Technical information required by ASX Listing Rule 7.1

Pursuant to and in accordance with ASX Listing Rule 7.3, the following information is provided in relation to the Option Placement:

- (a) the maximum number of Options to be issued is 143,000,000;
- (b) the Options will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules) and it is intended that issue of the Options will occur on the same date;
- (c) the issue price of the Options will be nil as they will be issued free attaching with the Shares issued pursuant to the Placement on a 1 for 2 basis;
- (d) the Options will be issued to the subscribers in the Placement on the basis of one (1) Option for every two (2) Shares subscribed for and issued;
- (e) the Options will be issued on the terms and conditions set out in Schedule 1; and
- (f) no funds will be raised from the Option Placement as the Options are being issued for nil cash consideration.

4. RESOLUTION 5 – APPROVAL TO ISSUE SPP OPTIONS TO SPP OFFER PARTICIPANTS

4.1 General

As set out in Section 1, successful applicants under the SPP Offer will have the right to subscribe for one (1) free attaching SPP Option for every two (2) Shares subscribed for and issued under the SPP.

Resolution 5 seeks Shareholder approval for the issue of SPP Options the subject of the SPP Offer.

The SPP Options will be issued on the same terms as the Placement. The terms of the SPP Options are set out in Schedule 1.

Voting exclusions apply to Resolution 5 as detailed in the Notice. The Company intends to apply for a waiver under Listing Rule 7.3.8 to enable Shareholders to vote in relation to Resolution 5 notwithstanding that they may be successful applicants for SPP Shares under the SPP Offer. The outcome of the waiver application will be advised by way of an ASX announcement prior to the date of the General Meeting. If the waiver is not granted by ASX, this means that the only Shareholders who will be entitled to vote in relation to Resolution 5 are those who are not eligible to participate in the SPP Offer (because they reside outside Australia or they were not Shareholders on the Record Date or because they have not applied for Shares and Options under the SPP Offer).

A summary of ASX Listing Rule 7.1 is set out in Section 2.2 above.

The effect of Resolution 5 will be to allow the Company to issue the SPP Options pursuant to the SPP Offer during the period of 3 months after the Meeting (or a longer period, if allowed by ASX), without using the Company's 15% annual placement capacity.

4.2 Technical information required by ASX Listing Rule 7.1

Pursuant to and in accordance with ASX Listing Rule 7.3, the following information is provided in relation to Resolution 4:

- (a) the maximum number of SPP Options to be issued is 38,521,409;

- (b) the SPP Options will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules) and it is intended that issue of the SPP Shares and SPP Options will occur progressively;
- (c) the issue price will be nil per SPP Option as the Options will be issued free attaching with the SPP Shares on a 1:2 basis;
- (d) the SPP Options will be issued to successful applicants under the SPP Offer. None of these applicants will be related parties of the Company, other than Directors who intend to participate in the SPP Offer and under which the Company is seeking approval under Resolutions 6 to 10;
- (e) the SPP Options will be issued on the terms and conditions set out in Schedule 1; and
- (f) no funds will be raised from the issue as the SPP Options are being issued for nil cash consideration.

3. RESOLUTIONS 6 TO 8 – APPROVAL TO ISSUE SPP OPTIONS TO DIRECTORS

3.1 General

Directors, Stuart Middleton, Andrew Blow and Guy Goudy, participated in the SPP Offer. Under the terms of the SPP Offer, these Directors have the right to be granted one Option for every two SPP Shares issued.

Resolutions 6 to 8 seeks Shareholder approval for the grant of the SPP Options to Messrs Middleton, Blow and Goudy (or their nominees) (**Related Parties**).

3.2 Chapter 2E of the Corporations Act

For a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

- (a) obtain the approval of the public company's members in the manner set out in sections 217 to 227 of the Corporations Act; and
- (b) give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act.

The grant of SPP Options to the Related Parties constitutes giving a financial benefit and Stuart Middleton, Andrew Blow and Guy Goudy are related parties of the Company by virtue of each being a Director.

The Directors (other than Messrs Middleton, Blow and Goudy) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the grant of SPP Options because the SPP Options will be issued to the Related Parties on the same terms as SPP Options issued to non-related party participants in the SPP and as such the giving of the financial benefit is on arm's length terms.

3.3 ASX Listing Rule 10.11

ASX Listing Rule 10.11 also requires shareholder approval to be obtained where an entity issues, or agrees to issue, securities to a related party, or a person whose relationship with the entity or a related party is, in ASX's opinion, such that approval should be obtained unless an exception in ASX Listing Rule 10.12 applies.

As the grant of the SPP Options involves the issue of securities to a related party of the Company, Shareholder approval pursuant to ASX Listing Rule 10.11 is required unless an exception applies. It is the view of the Directors that the exceptions set out in ASX Listing Rule 10.12 do not apply in the current circumstances.

3.4 Technical Information required by ASX Listing Rule 10.13

Pursuant to and in accordance with ASX Listing Rule 10.13, the following information is provided in relation to Resolutions 6 to 8:

- (a) the SPP Options will be granted to Stuart Middleton, Andrew Blow and Guy Goudy (or their nominees);
- (b) the maximum number of SPP Options to be issued is 2,500,001, comprising:
 - (i) 1,071,429 to Stuart Middleton;
 - (ii) 357,143 to Andrew Blow; and
 - (iii) 1,071,429 to Guy Goudy;
- (c) the SPP Options will be granted no later than 1 month after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules) and it is intended that issue of the Options will occur on the same date;
- (d) the SPP Options will be issued for nil cash consideration, accordingly no funds will be raised; and
- (e) the terms and conditions of the SPP Options are set out in Schedule 1.

Approval pursuant to ASX Listing Rule 7.1 is not required for the grant of the SPP Options as approval is being obtained under ASX Listing Rule 10.11. Accordingly, the grant of SPP Options to the Related Parties will not be included in the use of the Company's 15% annual placement capacity pursuant to ASX Listing Rule 7.1.

4. RESOLUTIONS 9 AND 10 – APPROVAL TO ISSUE SHARES AND OPTIONS TO DIRECTORS

4.1 General

For the reasons explained in Section 1, Timothy Hart and Samuel Jarvis were unable to participate in the SPP Offer. Resolutions 9 and 10 seeks Shareholder approval for the issue of the Shares and Options to Messrs Hart and Jarvis (or their nominees) on the same terms as the SPP Offer.

4.2 Chapter 2E of the Corporations Act

A summary of Chapter 2E is set out in Section 3.2.

The issuer of the Shares and Options to Messrs Hart and Jarvis constitutes giving a financial benefit and Messrs Hart and Jarvis are related parties of the Company by virtue of each being a Director.

The Directors (other than Messrs Hart and Jarvis) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the issue of the Shares and Options because the Shares and Options will be issued to Messrs Hart and Jarvis on the same terms as the Shares and Options issued to non-related party participants in the SPP and as such the giving of the financial benefit is on arm's length terms.

4.3 ASX Listing Rule 10.11

A summary of Listing Rule 10.11 is set out in Section 3.3. As the issue of the Shares and Options involves the issue of securities to a related party of the Company, Shareholder approval pursuant to ASX Listing Rule 10.11 is required unless an exception applies. It is the view of the Directors that the exceptions set out in ASX Listing Rule 10.12 do not apply in the current circumstances.

4.4 Technical Information required by ASX Listing Rule 10.13

Pursuant to and in accordance with ASX Listing Rule 10.13, the following information is provided in relation to Resolutions 9 and 10:

- (a) the Shares and Options will be issued to Timothy Hart and Samuel Jarvis (or their nominees);
- (b) the maximum number of Shares to be issued is 4,285,716 (comprising 2,142,858 Shares issued each to Timothy Hart and Samuel Jarvis);
- (c) the maximum number of Options to be issued is 2,142,858 (comprising 1,071,429 Options issued each to Timothy Hart and Samuel Jarvis);
- (d) the Shares and Options will be issued no later than 1 month after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules);
- (e) the issue price of the Shares will be \$0.007, being the same as all other Shares issued under the SPP Offer;
- (f) the Options will be issued for nil cash consideration as they are being issued free attaching to the Shares;
- (g) the Shares issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (h) the terms and conditions of the Options are the same as the SPP Options and are set out in Schedule 1; and
- (i) the funds raised will be used for the same purposes as all other funds raised under the SPP as set out in section 1 of this Explanatory Statement. No funds will be raised from the issue of the Options for the reasons set out in 4.4(f).

Approval pursuant to ASX Listing Rule 7.1 is not required for the grant of the Shares and Options as approval is being obtained under ASX Listing Rule 10.11. Accordingly, the issue of the Shares and Options to Messrs Hart and Jarvis will not be included in the use of the Company's 15% annual placement capacity pursuant to ASX Listing Rule 7.1.

5. RESOLUTION 11 – APPROVAL TO ADOPT EMPLOYEE SHARE PLAN

Resolution 11 seeks Shareholders approval for the adoption of the employee incentive scheme titled Employee Share Plan (**Plan**) in accordance with ASX Listing Rule 7.2 (Exception 9(b)).

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more equity securities during any 12 month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period. ASX Listing Rule 7.2 (Exception 9(b)) sets out an exception to ASX Listing Rule 7.1 which provides that issues under an employee incentive scheme are exempt for a period of 3 years from the date on which shareholders approve the issue of securities under the scheme as an exception to ASX Listing Rule 7.1.

If Resolution 11 is passed, the Company will be able to issue Shares under the Plan to eligible participants over a period of 3 years without impacting on the Company's ability to issue up to 15% of its total ordinary securities without Shareholder approval in any 12 month period.

Shareholders should note that no Shares have previously been issued under the Plan.

The objective of the Plan is to attract, motivate and retain key employees and it is considered by the Company that the adoption of the Plan and the future issue of Shares under the Plan will provide selected employees with the opportunity to participate in the future growth of the Company.

A material feature of the Plan is the issue of Shares pursuant to the Plan may be undertaken by way of provision of a non-recourse, interest free loan to be used for the purposes of subscribing for the Shares based on a price that will be not less than the volume weighted average price at which Shares were traded on the ASX over the 10 trading days up to and including the date of acceptance of the offer.

Any future issues of Shares under the Plan to a related party or a person whose relation with the company or the related party is, in ASX's opinion, such that approval should be obtained will require additional Shareholder approval under ASX Listing Rule 10.14 at the relevant time. For this reason, the Company is also seeking approval under Resolutions 12 to 16 for the issue of Shares to certain Directors pursuant to the Plan.

A summary of the key terms and conditions of the Plan is set out in Schedule 2. In addition, a copy of the Plan is available for review by Shareholders at the registered office of the Company until the date of the Meeting. A copy of the Plan can also be sent to Shareholders upon request to the Company Secretary (+61 2 9299 9580). Shareholders are invited to contact the Company if they have any queries or concerns.

6. RESOLUTIONS 12 TO 16 – APPROVAL TO ISSUE SHARES TO RELATED PARTIES IN LIEU OF CASH PAYMENTS FOR DIRECTOR FEES

6.1 General

The Company has agreed, subject to obtaining Shareholder approval and to the adoption of the Plan (refer Resolution 11), to the issue of Shares in lieu of Director fees owed or that will be owed to Timothy Hart, Stuart Middleton, Andrew Blow, Samuel Jarvis and Guy Goudy (or their nominees) (**Related Parties**).

The maximum number of Shares to be issued to the Related Parties is as follows:

- (a) up to 5,714,286 Shares each to Timothy Hart, Stuart Middleton, Andrew Blow and Guy Goudy (or their nominees) in lieu of accrued Directors' fees from November 2017 to February 2018 and for future Directors' fees from March 2018 to December 2018; and
- (b) up to 4,571,429 Shares to Samuel Jarvis (or his nominee) in lieu of future Directors' Fees from March 2018 to December 2018,

(together the **Related Party Shares**) pursuant to the Plan on the terms and conditions set out below. The approval sought for the maximum number of Related Party Shares includes:

- (c) the issue of 4,571,429 Shares in lieu of Directors' fees which have already accrued (**Accrued Related Party Shares**); and
- (d) for the future issue of 22,857,143 Shares to Directors in lieu of Directors fees (**Related Party Future Directors' Fee Shares**).

Resolutions 12 to 16 seek Shareholder approval for the issue of the Related Party Shares to the Directors (or their nominees). To the extent Shareholders do not approve the issue of the Shares, the Directors will be entitled to be paid their respective fees in cash.

The Company has agreed to cap the issue of Related Party Shares to the Directors under the Plan for the purposes of these Resolutions. ASX Listing Rule 10.15 requires that the Company state the maximum number of securities that may be acquired by all persons for whom approval is required.

In addition, the Company must have reasonable grounds to believe, when making an offer under the Plan, that the number of Shares offered under an offer, when aggregated with the number of Shares issued or that may be issued as a result of offers made in reliance on the ASIC Class Order at any time during the previous 3 year period under an employee incentive scheme covered by the Class Order, will not exceed 5% of the total number of Shares on issue at the date of the offer.

Shareholder approval will be sought if more than the maximum is required to be issued.

The Company has also agreed to set the issue price of the Shares at \$0.007.

6.2 **Accrued Related Party Shares**

In relation to the Accrued Related Party Shares, the Company will issue to Timothy Hart, Stuart Middleton, Andrew Blow and Guy Goudy (or their nominees) 1,142,857 Shares each at an issue price of \$0.007 in satisfaction of unpaid Director fees totalling \$8,000 owed to each Director for the period November 2017 to February 2018;

Mr Jarvis' appointment commenced in March 2018 and is therefore not due any Director fees for the November 2017 to February 2018 period.

6.3 **Related Party Future Directors' Fee Shares**

In relation to the Related Party Future Directors' Fee Shares, the Company will issue to each Related Party (subject to Shareholder approval) a total of 4,571,429 Shares at an issue price of \$0.007 which represents a total of \$32,000 in fees for each Director for the period March 2018 to December 2018. The Company proposes to issue the Shares at the end of that period.

6.4 Maximum issue of Related Party Shares that may be issued

Section 6.1 sets out the maximum number of Related Party Shares that may be issued under Resolutions 12 to 16. The Dilutionary effect on existing Shareholders if the maximum number of Related Party Shares are issued is set out below:

Director	Related Party Shares	Dilutionary effect on existing Shareholders
Timothy Hart	5,714,286	0.82%
Stuart Middleton	5,714,286	0.82%
Andrew Blow	5,714,286	0.82%
Samuel Jarvis	4,571,429	0.66%
Guy Goudy	5,714,286	0.82%

Notes:

1. Assumes the SPP Offer is fully subscribed, that no Options are exercised and is based on a capital structure of 693,984,877 (being 595,127,735 currently on issue plus 71,428,571 Shares to be issued under the SPP Offer and 27,428,571 Shares to be issued under Resolutions 12 to 16).

6.5 Chapter 2E of the Corporations Act and ASX Listing Rule 10.14

Chapter 2E of the Corporations Act requires that for a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

- (j) obtain the approval of the public company's members in the manner set out in sections 217 to 227 of the Corporations Act; and
- (k) give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act.

The issue of the Related Party Shares constitutes giving a financial benefit and Timothy Hart, Stuart Middleton, Andrew Blow, Samuel Jarvis and Guy Goudy are related parties of the Company by virtue of being Directors.

Each Director considers that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the issue of Related Party Shares to each of the other Directors because the agreement to grant Related Party Shares in satisfaction of Director fees is considered reasonable remuneration in the circumstances and was negotiated on an arm's length basis.

6.6 Section 195 of the Corporations Act

Section 195(1) of the Corporations Act provides a general restriction on a director who has a material personal interest in a resolution being considered at a directors' meeting of the company being present during any discussion on the resolution or voting on the resolution at the directors' meeting.

Section 195(4) of the Corporations Act provides that where there are insufficient directors to form a quorum at a directors' meeting because of Section 195(1), the directors can call a general meeting of shareholders to consider the matter.

The Directors are unable to form a quorum to consider any matters relating to the issue of Related Party Shares under Resolutions 12 to 16, as each of the Directors has a material interest in the outcome of their respective Resolution. Therefore, the Directors are seeking approval under Section 195(4) to deal with the matter.

6.7 ASX Listing Rule 10.14

ASX Listing Rule 10.14 requires shareholder approval to be obtained where an entity issues, or agrees to issue, securities under an employee incentive scheme to a director of the entity, an associate of the director, or a person whose relationship with the entity, director or associate of the director is, in ASX's opinion, such that approval should be obtained. Accordingly, Shareholder approval is sought under ASX Listing Rule 10.14 for the issue of Shares to the Directors.

6.8 Technical Information required by ASX Listing Rule 10.15

Pursuant to and in accordance with ASX Listing Rule 10.14, the following information is provided in relation to Resolutions 12 to 16:

- (a) the Related Party Shares will be issued to Timothy Hart, Stuart Middleton, Andrew Blow, Samuel Jarvis and Guy Goudy (or their respective nominees);
- (b) the maximum number of Accrued Related Party Shares to be issued is 4,571,429 (comprising the issue of 1,142,857 Related Party Shares to each of Messrs Hart, Middleton, Blow and Goudy (or their nominees));
- (c) the issue price for the Accrued Related Party Shares is \$0.007;
- (d) the maximum number of Related Party Future Directors' Fee Shares to be issued is 22,857,143 (comprising the issue of 4,571,429 Related Party Shares to each of the Related Parties);
- (e) the issue price for the Related Party Future Directors' Fee Shares will be \$0.007;
- (f) the Related Party Shares will be issued to the Related Parties no later than 12 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules) and it is intended that issue of all of the Shares will occur progressively;
- (g) the Related Party Shares will be issued for nil cash consideration pursuant to the Plan as they are being issued in lieu of Director fees that have accrued or that will be paid to the Directors, accordingly no funds will be raised;
- (h) no Related Party Shares have previously been issued under the Plan, nor has the Plan previously been adopted by Shareholders;
- (i) all Directors are entitled to participate in the Plan;
- (j) there is no loan in relation to the issue; and
- (k) the Shares issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares.

Approval pursuant to ASX Listing Rule 7.1 is not required for the issue of the Related Party Shares as approval is being obtained under ASX Listing Rule 10.14. Accordingly, the issue of Related Party Shares to the Related Parties (or their nominees) will not be

included in the use of the Company's 15% annual placement capacity pursuant to ASX Listing Rule 7.1.

GLOSSARY

\$ means Australian dollars.

ASIC means the Australian Securities & Investments Commission.

ASX means ASX Limited (ACN 008 624 691) or the financial market operated by ASX Limited, as the context requires.

ASX Listing Rules means the Listing Rules of ASX.

Board means the current board of directors of the Company.

Business Day means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day, and any other day that ASX declares is not a business day.

Chair means the chair of the Meeting.

Company means Fremont Petroleum Corporation Ltd (ACN 114 198 471).

Constitution means the Company's constitution.

Corporations Act means the *Corporations Act 2001* (Cth).

Directors means the current directors of the Company.

Explanatory Statement means the explanatory statement accompanying the Notice.

General Meeting or **Meeting** means the meeting convened by the Notice.

Notice or **Notice of Meeting** means this notice of meeting including the Explanatory Statement and the Proxy Form.

Option means an option to acquire a Share.

Optionholder means a holder of an Option.

Proxy Form means the proxy form accompanying the Notice.

Record Date means 23 February 2018.

Resolutions means the resolutions set out in the Notice, or any one of them, as the context requires.

Section means a section of the Explanatory Statement.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a registered holder of a Share.

WST means Western Standard Time as observed in Perth, Western Australia.

SCHEDULE 1 – TERMS AND CONDITIONS OF OPTIONS

(a) **Entitlement**

Each Option entitles the holder to subscribe for one Share upon exercise of the Option.

(b) **Exercise Price**

Subject to paragraph Schedule 1(j), the amount payable upon exercise of each Option will be \$0.02 (**Exercise Price**).

(c) **Expiry Date**

Each Option will expire at 5:00 pm (AEST) on or before 31 March 2020 (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(d) **Exercise Period**

The Options are exercisable at any time on or prior to the Expiry Date (**Exercise Period**).

(e) **Notice of Exercise**

The Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

(f) **Exercise Date**

A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds (**Exercise Date**).

(g) **Timing of issue of Shares on exercise**

Within 15 Business Days after the Exercise Date, the Company will:

- (i) issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;
- (ii) if required, give ASX a notice that complies with section 708A(5)I of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and
- (iii) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.

If a notice delivered under Schedule 1(g) and (g)(ii) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 Business Days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the

Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.

(h) **Shares issued on exercise**

Shares issued on exercise of the Options rank equally with the then issued shares of the Company.

(i) **Reconstruction of capital**

If at any time the issued capital of the Company is reconstructed, all rights of an Optionholder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.

(j) **Participation in new issues**

There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options.

(k) **Change in exercise price**

An Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Option can be exercised.

(l) **Transferability**

The Options are transferable subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities laws.

SCHEDULE 2 – SUMMARY OF EMPLOYEE SHARE PLAN

The key terms of the Employee Share Plan are as follows:

- (a) **Eligibility:** Participants in the plan may be Directors, full-time and part-time employees of the Company or any of its subsidiaries or a casual employee or contractor (**Participants**).
- (b) **Administration of Plan:** The Board is responsible for the operation of the Plan and has a broad discretion to determine which Participants will be offered Shares under the Plan.
- (c) **Offer:** The Board may issue an offer to a Participant to participate in the Plan. The offer:
 - (i) will invite application for the number of Shares specified in the offer;
 - (ii) will specify the issue price for the Shares or the manner in which the Issue Price is to be calculated;
 - (iii) will specify any restriction conditions applying to the Shares;
 - (iv) will specify an acceptance period; and
 - (v) specify any other terms and conditions attaching to the Shares.
- (d) **Issue price:** The issue price of the Plan Shares offered under an Offer shall be determined by the Board in its absolute discretion, which may be a nominal or nil amount.
- (e) **Restriction Conditions:** Shares may be subject to restriction conditions (such as a period of employment) which must be satisfied before the Shares can be sold, transferred, or encumbered.
- (f) **Loan:** The Company may, in its absolute discretion, grant a Loan to a Participant for the purpose of purchasing Shares under an Offer in accordance with the Plan.
- (g) **Power of Attorney:** The Participant irrevocably appoints each of the Company and each director of the Company severally as his or her attorney to do all things necessary to give effect to the sale of the Participant's Shares in accordance with the Plan.
- (h) **Plan limit:** The Company must take reasonable steps to ensure that the number of Shares offered by the Company under the Plan when aggregated with:
 - (i) the number of Shares issued during the previous 3 years under the Plan (or any other employee share plan extended only to Eligible Employees); and
 - (ii) the number of Shares that would be issued if each outstanding offer for Shares (including options to acquire unissued Shares) under any employee incentive scheme of the Company were to be exercised or accepted,does not exceed 5% of the total number of Shares on issue at the time of an offer (but disregarding any offer of Shares or option to acquire Shares that can be disregarded in accordance with relevant ASIC Class Orders).
- (i) **Quotation on ASX:** The Company will apply for each Plan Share to be admitted to trading on ASX upon issue of the Plan Share. Quotation will be subject to the ASX Listing Rules and any holding lock applying to the Shares.
- (j) **Rights attaching to Shares:** Each Plan Share shall be issued on the same terms and conditions as the Company's issued Shares (other than in respect of transfer restrictions imposed by the Plan) and it will rank equally with all other issued Shares from the issue date except for entitlements which have a record date before the issue date.

All Correspondence to:

✉ **By Mail:** Boardroom Pty Limited
GPO Box 3993
Sydney NSW 2001 Australia

📠 **By Fax:** +61 2 9290 9655

💻 **Online:** www.boardroomlimited.com.au

☎ **By Phone:** (within Australia) 1300 737 760
(outside Australia) +61 2 9290 9600

YOUR VOTE IS IMPORTANT

For your vote to be effective it must be recorded **before 12:00pm (Sydney Time) on Tuesday 22 May 2018.**

📄 TO VOTE ONLINE **📱 BY SMARTPHONE**

- STEP 1: VISIT www.votingonline.com.au/fplgm2018
- STEP 2: Enter your Postcode OR Country of Residence (if outside Australia)
- STEP 3: Enter your Voting Access Code (VAC):



Scan QR Code using smartphone QR Reader App

TO VOTE BY COMPLETING THE PROXY FORM

STEP 1 APPOINTMENT OF PROXY

Indicate who you want to appoint as your Proxy.
If you wish to appoint the Chair of the Meeting as your proxy, mark the box. If you wish to appoint someone other than the Chair of the Meeting as your proxy please write the full name of that individual or body corporate. If you leave this section blank, or your named proxy does not attend the meeting, the Chair of the Meeting will be your proxy. A proxy need not be a securityholder of the company. Do not write the name of the issuer company or the registered securityholder in the space.

Appointment of a Second Proxy

You are entitled to appoint up to two proxies to attend the meeting and vote. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by contacting the company's securities registry or you may copy this form.

To appoint a second proxy you must:

- (a) complete two Proxy Forms. On each Proxy Form state the percentage of your voting rights or the number of securities applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded.
- (b) return both forms together in the same envelope.

STEP 2 VOTING DIRECTIONS TO YOUR PROXY

To direct your proxy how to vote, mark one of the boxes opposite each item of business. All your securities will be voted in accordance with such a direction unless you indicate only a portion of securities are to be voted on any item by inserting the percentage or number that you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on a given item, your proxy may vote as he or she chooses. If you mark more than one box on an item for all your securities your vote on that item will be invalid.

Proxy which is a Body Corporate

Where a body corporate is appointed as your proxy, the representative of that body corporate attending the meeting must have provided an "Appointment of Corporate Representative" prior to admission. An Appointment of Corporate Representative form can be obtained from the company's securities registry.

STEP 3 SIGN THE FORM

The form **must** be signed as follows:

- Individual:** This form is to be signed by the securityholder.
- Joint Holding:** where the holding is in more than one name, all the securityholders should sign.
- Power of Attorney:** to sign under a Power of Attorney, you must have already lodged it with the registry. Alternatively, attach a certified photocopy of the Power of Attorney to this form when you return it.
- Companies:** this form must be signed by a Director jointly with either another Director or a Company Secretary. Where the company has a Sole Director who is also the Sole Company Secretary, this form should be signed by that person. **Please indicate the office held by signing in the appropriate place.**

STEP 4 LODGEMENT

Proxy forms (and any Power of Attorney under which it is signed) must be received no later than 48 hours before the commencement of the meeting, therefore by **12:00pm (Sydney Time) on Tuesday 22 May 2018.** Any Proxy Form received after that time will not be valid for the scheduled meeting.

Proxy forms may be lodged using the enclosed Reply Paid Envelope or:

- 💻 **Online** www.votingonline.com.au/fplgm2018
- 📠 **By Fax** + 61 2 9290 9655
- ✉ **By Mail** Boardroom Pty Limited
GPO Box 3993,
Sydney NSW 2001 Australia
- 👤 **In Person** Boardroom Pty Limited
Level 12, 225 George Street,
Sydney NSW 2000 Australia

Attending the Meeting

If you wish to attend the meeting please bring this form with you to assist registration.

Fremont Petroleum Corporation Limited

ACN 114 198 471

Your Address

This is your address as it appears on the company's share register. If this is incorrect, please mark the box with an "X" and make the correction in the space to the left. Securityholders sponsored by a broker should advise their broker of any changes.

Please note, you cannot change ownership of your securities using this form.

PROXY FORM

STEP 1 APPOINT A PROXY

I/We being a member/s of Fremont Petroleum Corporation Limited (Company) and entitled to attend and vote hereby appoint:

the Chair of the Meeting (mark box)

OR if you are NOT appointing the Chair of the Meeting as your proxy, please write the name of the person or body corporate (excluding the registered securityholder) you are appointing as your proxy below

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chair of the Meeting as my/our proxy at the General Meeting of the Company to be held at Boardroom Pty Limited, Level 12, Grosvenor Place, 225 George Street, Sydney NSW 2000 on Thursday, 24 May 2018 at 12:00pm (Sydney Time) and at any adjournment of that meeting, to act on my/our behalf and to vote in accordance with the following directions or if no directions have been given, as the proxy sees fit.

AUTHORITY FOR CHAIR TO VOTE UNDIRECTED PROXIES ON REMUNERATION RELATED RESOLUTIONS

Where I/we have appointed the Chair as my/our proxy (or where the Chair becomes my/our proxy by default), I/we expressly authorise the Chair to exercise my/our proxy on Resolutions 11 to 16 (except where I/we have indicated a different voting intention below) even though Resolutions 11 to 16 are connected directly or indirectly with the remuneration of a member of the Key Management Personnel, which includes the Chair.

CHAIR'S VOTING INTENTION IN RELATION TO UNDIRECTED PROXIES

The Chair intends to vote undirected proxies in favour of all Resolutions. In exceptional circumstances the Chair may change his/her voting intention on any Resolution. In the event this occurs an ASX announcement will be made immediately disclosing the reasons for the change.

STEP 2 VOTING DIRECTIONS

* If you mark the Abstain box for a particular item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your vote will not be counted in calculating the required majority if a poll is called.

		FOR	AGAINST	ABSTAIN*			FOR	AGAINST	ABSTAIN*
Res 1	Ratification of Prior Issue of Placement Shares Under Listing Rule 7.1	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Res 9	Approval to Issue Shares and Options to Timothy Hart	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Res 2	Ratification of Prior Issue of Placement Shares Under Listing Rule 7.1A	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Res 10	Approval to Issue Shares and Options to Samuel Jarvis	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Res 3	Ratification of Prior Issue of Broker Options Under Listing Rule 7.1	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Res 11	Approval to Adopt Employee Share Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Res 4	Approval to Issue Placement Options to Placement Participants	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Res 12	Approval to Issue Shares to Timothy Hart In Lieu of Cash Payment For Director Fees	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Res 5	Approval to Issue SPP Options to SPP Offer Participants	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Res 13	Approval to Issue Shares to Stuart Middleton In Lieu of Cash Payment For Director Fees	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Res 6	Approval to Issue SPP Options to Stuart Middleton	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Res 14	Approval to Issue Shares to Andrew Blow In Lieu of Cash Payment For Director Fees	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Res 7	Approval to Issue SPP Options to Andrew Blow	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Res 15	Approval to Issue Shares to Samuel Jarvis In Lieu of Cash Payment For Director Fees	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Res 8	Approval to Issue SPP Options to Guy Goudy	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Res 16	Approval to Issue Shares to Guy Goudy In Lieu of Cash Payment For Director Fees	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

STEP 3 SIGNATURE OF SECURITYHOLDERS

This form must be signed to enable your directions to be implemented.

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director / Company Secretary

Contact Name.....

Contact Daytime Telephone.....

Date / / 2018