



Robert Lees
Company Secretary
12 December 2018

FREMONT PETROLEUM CORPORATION LIMITED ACN 114 198 471

PROSPECTUS

This prospectus contains the following offers:

- (a) For an issue of 257,142,861 Options, on the basis of one (1) new Option for every two (2) Shares subscribed for by Subscribers under the Placement (**Placement Offer**) to Eligible Applicants who participated in the Placement.
- (b) For an issue of 50,000,000 Advisor Options to the Advisors as part of the consideration for assisting with the Placement Offer (**Advisor Offer**).
- (c) For an issue of 13,571,429 Options to Directors under the Placement (**Director Offer**).
- (d) For an issue of 357,143 Options to the Previous Placement Subscriber under the Previous Placement (**Previous Placement Offer**).

IMPORTANT NOTICE

This document is important and should be read in its entirety. If after reading this Prospectus you have any questions about the securities being offered under this Prospectus or any other matter, then you should consult your stockbroker, accountant or other professional adviser.

The Options offered by this Prospectus should be considered as speculative.

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1. CORPORATE DIRECTORY

Directors

Guy Goudy (Executive Chairman)
Timothy Hart (Managing Director)
Andrew Blow (Non-Executive Director)
Samuel Jarvis (Non-Executive Director)
Stuart Middleton (Non-Executive Director)

Registered Office

Suite 302, Level 3
17 Castlereagh Street
Sydney NSW 2000

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Facsimile: +61 2 9299 9501

Company Secretary

Robert Lees

Website: www.fremontpetroleum.com

Share Registry*

Boardroom Pty Limited
Grosvenor Place
Level 12, 225 George Street
Sydney NSW 2000

Solicitors

Steinepreis Paganin
Lawyers and Consultants
Level 4, The Read Buildings
16 Milligan Street
Perth WA 6000

Auditor

Grant Thornton Audit Pty Ltd
Collins Square, Tower 1
727 Collins Street
Docklands Victoria 3008

*This entity is included for information purposes only. It has not been involved in the preparation of this Prospectus and has not consented to being named in this Prospectus.

2. IMPORTANT NOTES

This Prospectus is dated 12 December 2018 and was lodged with the ASIC on that date. The ASIC and its officers take no responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates.

No Options may be issued on the basis of this Prospectus later than 13 months after the date of this Prospectus.

No person is authorised to give information or to make any representation in connection with this Prospectus, which is not contained in the Prospectus. Any information or representation not so contained may not be relied on as having been authorised by the Company in connection with this Prospectus.

It is important that applicants read this Prospectus in its entirety and seek professional advice where necessary. The Options the subject of this Prospectus should be considered highly speculative.

This Prospectus is a transaction specific prospectus for an offer of continuously quoted securities (as defined in the Corporations Act) and has been prepared in accordance with section 713 of the Corporations Act. It does not contain the same level of disclosure as an initial public offering prospectus. In making representations in this Prospectus regard has been had to the fact that the Company is a disclosing entity for the purposes of the Corporations Act and certain matters may reasonably be expected to be known to Eligible Applicants and professional advisers whom Eligible Applicants may consult.

2.1 Risk factors

Applicants should be aware that subscribing for Options in the Company involves a number of risks. The key risk factors of which applicants should be aware are set out in section 6 of this Prospectus. These risks together with other general risks applicable to all investments in listed securities not specifically referred to, may affect the value of the Options in the future. Accordingly, an investment in the Company should be considered highly speculative. Applicants should consider consulting their professional advisers before deciding whether to apply for Options pursuant to this Prospectus.

2.2 Forward-looking statements

This Prospectus contains forward-looking statements which are identified by words such as 'may', 'could', 'believes', 'estimates', 'targets', 'expects', or 'intends' and other similar words that involve risks and uncertainties.

These statements are based on an assessment of present economic and operating conditions, and on a number of assumptions regarding future events and actions that, as at the date of this Prospectus, are expected to take place.

Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of our Company, the Directors and our management.

We cannot and do not give any assurance that the results, performance or achievements expressed or implied by the forward-looking statements contained in this prospectus will actually occur and investors are cautioned not to place undue reliance on these forward-looking statements.

We have no intention to update or revise forward-looking statements, or to publish prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained in this prospectus, except where required by law.

These forward looking statements are subject to various risk factors that could cause our actual results to differ materially from the results expressed or anticipated in these statements. These risk factors are set out in section 6 of this Prospectus.

3. DETAILS OF THE OFFER

3.1 The Placement Offer

The Placement Offer is for the issue of a total of 257,142,861 Placement Options (defined below) to Eligible Applicants who participated in the Placement.

The Placement comprises two tranches as follows:

- (a) Tranche 1 comprised 172,835,425 Shares which were issued on 14 September 2018 at an issue price of \$0.007 out of the Company's annual placement capacity; and
- (b) Tranche 2 comprised a total of 341,450,296 Shares which were issued on the following dates:
 - (i) 230,408,737 Shares were issued on the 14 November 2018;
 - (ii) 11,470,130 Shares were issued on 23 November 2018; and
 - (iii) 99,571,429 were issued on 3 December 2018;

at an issue price of \$0.007 for which shareholder approval was obtained on 16 October 2018,

being a total of 514,285,721 Shares (**Placement Shares**).

The Placement (including Placement Shares issued to Directors under the Director Offer) raised \$3,790,000 million to be used to allow further drilling of two development wells in 2018 targeting oil and gas production from the Niobrara formation and provided additional working capital.

The terms of the Placement provided that one (1) free attaching Option be issued for every two (2) Shares subscribed for under the Placement, totalling up to 257,142,861 Options (**Placement Options**). Each Placement Option is exercisable at \$0.02 per Share on or before 31 March 2020.

The issue of the Placement Options was approved by shareholders at the General Meeting held on 16 October 2018.

No funds will be raised as a result of the issue of the Placement Options. If all Placement Options are exercised, the Company will receive \$5,142,857. Exercise of the Placement Options is entirely at the discretion of the holder.

The terms and conditions of the Placement Options are set out in section 5.1 of this Prospectus.

All of the Shares issued upon the future exercise of the Placement Options offered under this Prospectus will rank equally with the Shares on issue at the date of this Prospectus. Please refer to section 5.2 for further information regarding the rights and liabilities attaching to the Shares.

Details of the purpose and effect of the Placement Offer are set out in section 4 of this Prospectus.

3.2 The Advisor Offer

As per the Company Announcement of 5 September 2018, the Company will issue Advisors to the Placement with a total of 50,000,000 Options exercisable on the same terms as the Placement Options (at \$0.02 on or before 31 March 2020) (**Advisor Options**).

The issue of the Advisor Options was approved at the General Meeting held on 16 October 2018.

The terms and conditions of the Advisor Options are set out in section 5.1 of this Prospectus.

All of the Shares issued upon the future exercise of the Advisor Options offered under this Prospectus will rank equally with the Shares on issue at the date of this Prospectus. Please refer to section 5.2 for further information regarding the rights and liabilities attaching to the Shares.

Details of the purpose and effect of the Advisor Offer are set out in section 4 of this Prospectus.

3.3 The Director Offer

As per the Notice of Meeting dated 14 September 2018, all of the Directors have participated in the Placement.

As per the terms of the Placement, the Directors are entitled to one Option for every two Placement Shares issued.

The Company sought and received approval from Shareholders to issue up to 29,999,999 Placement Shares and 15,000,002 Options to Directors (**Director Options**) at the General Meeting held on 16 October 2018.

On 14 November 2018, the Company issued 27,142,857 Placement Shares to the Directors and, as such, the Directors are entitled to be issued 13,571,429 Options.

The terms and conditions of the Director Options are set out in section 5.1 of this Prospectus.

All of the Shares issued upon the future exercise of the Director Options offered under this Prospectus will rank equally with the Shares on issue at the date of this Prospectus. Please refer to section 5.2 for further information regarding the rights and liabilities attaching to the Shares.

Details of the purpose and effect of the Director Offer are set out in section 4 of this Prospectus.

3.4 The Previous Placement Offer

On 26 February 2018, the Company completed a placement of 286,000,000 Shares at an issue price of \$0.007 per Share to raise \$2,000,000 (**Previous Placement**). The terms of the Previous Placement provided that that one (1) free attaching option be issued for every two (2) Shares subscribed for under the Previous Placement, totalling up to 143,000,000 options.

The issue of options under the Previous Placement was approved by Shareholders at the General Meeting held on 24 May 2018 and the Company lodged a prospectus for those Options on 6 June 2018 (**Previous Prospectus**). The offer under

the Previous Prospectus closed on 20 June 2018. After the closing date, the Company was made aware of a subscriber who participated in the Previous Placement but was unable to submit an application form for the offer of options made under the Previous Prospectus before the closing date. The Company issued 714,285 Shares to the Previous Placement Subscriber and, as such, the Previous Placement Subscriber was entitled to 357,143 Options.

Accordingly, the purpose of the Previous Placement Offer is to provide the Previous Placement Subscriber with their respective entitlements under the Previous Placement, and the Company has agreed to offer the Previous Subscriber 357,143 Options pursuant to the terms of this Prospectus (**Previous Placement Options**). The Previous Placement Options will have the same terms as the Options offered under this Prospectus

No funds will be raised as a result of the issue of the Previous Placement Options. If all Previous Placement Options are exercised, the Company will receive \$7,143. Exercise of the Previous Placement Options is entirely at the discretion of the holder.

The terms and conditions of the Previous Placement Options are set out in section 5.1 of this Prospectus.

All of the Shares issued upon the future exercise of the Previous Placement Options offered under this Prospectus will rank equally with the Shares on issue at the date of this Prospectus. Please refer to section 5.2 for further information regarding the rights and liabilities attaching to the Shares.

Details of the purpose and effect of the Previous Placement Offer are set out in section 4 of this Prospectus.

3.5 Indicative timetable

| | |
|---|------------------|
| Lodgement of Prospectus with the ASIC and ASX | 12 December 2018 |
| Lodgement of Appendix 3B | 12 December 2018 |
| Opening Date | 12 December 2018 |
| Closing Date* | 7 January 2019 |

* The Directors reserve the right to bring forward or extend the Closing Date of the Offer at any time after the Opening Date of the Offer without notice.

3.6 Application for Options

This Prospectus will be sent to Eligible Applicants only.

Applications for Options can only be made by Eligible Applicants and **must be made using the Application Form accompanying this Prospectus**.

Eligible Applicants are not required to make any payment for the Options as:

- (a) the Placement Options are free attaching options issued to Eligible Applicants who participated in the Placement;
- (b) the Advisor Options are issued to Advisors as consideration for their promoter services under the Placement;
- (c) the Director Options are free attaching options issued to Eligible Applicants who participated in the Placement; and

- (d) the Previous Placement Options are free attaching options issued to the Previous Placement Subscriber.

Completed Application Forms must be mailed or delivered to the below address by the Closing Date:

Boardroom Pty Limited
GPO Box 3993
Sydney NSW 2001

3.7 Minimum subscription

There is no minimum subscription.

3.8 Issue

Options issued pursuant to the Offer will be issued in accordance with the ASX Listing Rules and the timetable set out at the commencement of this Prospectus.

Holding statements for Options issued under this Prospectus will be mailed in accordance with the ASX Listing Rules and the timetable set out at the commencement of this Prospectus as soon as practicable after their issue.

3.9 Overseas shareholders

This Offer does not, and is not intended to, constitute an offer in any place or jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer or to issue this Prospectus.

It is not practicable for the Company to comply with the securities laws of overseas jurisdictions having regard to the number of overseas Shareholders, the number and value Options these Eligible Applicants would be offered and the cost of complying with regulatory requirements in each relevant jurisdiction. Accordingly, the Offer is not being extended and Options will not be issued to Eligible Applicants with a registered address which is outside Australia, Singapore or the USA.

United States

Nothing in this Prospectus constitutes an offer of securities for sale in the United States or any other jurisdiction where it is unlawful to do so. The guarantees referred to in this Prospectus have not been, and will not be, registered under the United States Securities Act 1933 (**US Securities Act**), or the securities laws of any state of the United States or other jurisdiction. These guarantees are only being offered to Qualified Institutional Buyers (as defined at Rule 144A of the US Securities Act); or Accredited Investors within the meaning of Rule 501(a)(4) of Regulation D under the US Securities Act, including any director, executive officer, or general partner of the issuer, or any director, executive officer, or general partner of a general partner of the issuer.

Singapore

This document and any other materials relating to the Options have not been and will not be lodged or registered as a prospectus in Singapore with the Monetary Authority of Singapore. Accordingly, this document and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of Options, may not be issued, circulated or distributed, nor may the Options be offered or sold, or be made the subject of invitation for subscription or

purchase, whether directly or indirectly, to person in Singapore except pursuant to and in accordance with exemptions in Subdivision (4) Division 1, Part XIII of the Securities and Futures ACT, Chapter 289 of Singapore (SFA), or as otherwise pursuant to, and in accordance with the conditions of any other applicable provisions of the SFA.

This document has been given to you on the basis that you are an existing holder of the Company's Shares. In the event that you are not an existing holder, please return this document immediately. You may not forward or circulate this document to any other person in Singapore.

Any offer is not made to you with a view to the Options being subsequently offered for sale to any other party. There are on-sale restrictions in Singapore that may be applicable to investors who acquire Options. As such, investors are advised to acquaint themselves with the SFA provisions relating to resale restrictions in Singapore and comply accordingly.

Nominees and custodians

Nominees and custodians may not submit an Applicant Form on behalf of any Eligible Applicant resident outside Australia, Singapore or the USA without the prior consent of the Company, taking into account relevant securities law restrictions. Return of a duly completed Application Form will be taken by the Company to constitute a representation that there has been no breach of those regulations.

3.10 Enquiries

Any questions concerning the Offers should be directed to:

Mr Robert Lees
Corporate Secretary

Phone: +61 2 9299 9580

Email: robert@coysec.com.au
Address:
Suite 302, Level 3
17 Castlereagh Street
Sydney NSW 2000
Australia

4. PURPOSE AND EFFECT OF THE OFFERS

4.1 Purpose of the Offers

The purpose of the Offers is to offer:

- (a) applicants who participated in the Placement, one (1) Placement Option for every two (2) Shares subscribed for under the Placement (**Placement Shares**). No funds will be raised through the issue of the Placement Options pursuant to this Prospectus as the Placement Options are free attaching to the Placement Shares. However, if all of the Placement Options are exercised, the Company will receive approximately \$5,142,857;
- (b) the Advisors, 50,000,000 Advisor Options as part of the consideration for assisting with the Placement Offer, accordingly no funds will be raised from the issue of the Advisor Options. However, if all of the Advisor Options are exercised, the Company will receive approximately \$1,000,000;
- (c) Directors who participated in the Placement, one (1) Director Option for every two (2) Placement Shares subscribed for under the Placement. No funds will be raised through the issue of the Director Options pursuant to this Prospectus as the Director Options are free attaching to the Placement Shares. However, if all of the Director Options are exercised, the Company will receive approximately \$271,429; and
- (d) the Previous Placement Subscriber, one (1) Previous Placement Option for every two (2) Shares subscribed for under the Previous Placement. No funds will be raised through the issue of the Previous Placement Options pursuant to this Prospectus as the Previous Placement Options are free attaching to the Previous Placement shares. However, if all of the Previous Placement Options are exercised, the Company will receive approximately \$7,143.

4.2 Effect of the Offers

The principal effect of the Placement Offer, Advisor Offer, Director Offer and Previous Placement Offer, assuming all Options offered under the Placement Offer, Advisor Offer, Director Offer and Previous Placement Offer are issued, will be to increase the number of Options on issue from 289,271,838 Options as at the date of this Prospectus to 610,343,271 Options.

4.3 Effect on capital structure

The effect of the Offers on the capital structure of the Company, assuming all Options offered under the Prospectus are issued, is set out below.

Shares

| | Number |
|--|----------------------|
| Shares currently on issue | 1,232,770,559 |
| Shares offered pursuant to the Offer | Nil |
| Total Shares on issue after completion of the Offer¹ | 1,232,770,559 |

Options¹

| | Number |
|---|--------------------|
| Quoted Options exercisable at \$0.06 each on or before 30 June 2019 | 74,088,963 |
| Unquoted Options exercisable at \$0.10 each on or before 30 June 2019 | 4,840,000 |
| Unquoted Options exercisable at \$0.045 each on or before 15 July 2021 | 12,500,000 |
| Unquoted Options exercisable at \$0.02 each on or before 31 March 2020 ² | 197,842,875 |
| Sub-Total | 289,271,838 |
| Placement Options offered pursuant to the Offer | 257,142,861 |
| Advisor Options offered pursuant to the Offer | 50,000,000 |
| Director Options offered pursuant to the Offer | 13,571,429 |
| Previous Placement Options offered pursuant to the Offer | 357,143 |
| Total Options on issue after completion of the Offer | 610,343,271 |

Note:

1. Assumes that all Options under the Offer are issued.
2. The Company intends to apply for quotation of these Options

4.4 Details of substantial holders

Based on publicly available information as at 5 December 2018, those persons which (together with their associates) have a relevant interest in 5% or more of the Shares on issue are set out below:

| Shareholder | Shares | % |
|--|-------------|-------|
| Claymore Ventures Limited ¹ | 96,214,288 | 7.80% |
| Resilient Investment Group Pty Ltd | 100,000,000 | 8.11% |

Note:

1. Samuel Jarvis, a director of the Company, is also a director and shareholder of Claymore Ventures Limited.

4.5 Pro-forma balance sheet

The audited balance sheet as at 30 June 2018 and the unaudited pro-forma balance sheet as at 30 June 2018 shown below have been prepared on the basis of the accounting policies adopted by the Company and reflect the changes to its financial position.

The pro-forma balance sheet shows the effect of the Placement.

The pro-forma balance sheet has been prepared to provide investors with information on the assets and liabilities of the Company and pro-forma assets and liabilities of the Company as noted below. The historical and pro-forma financial information is presented in an abbreviated form, insofar as it does not include all

of the disclosures required by Australian Accounting Standards applicable to annual financial statements.

| | AUDITED Consolidated 30 June 2018 | PROFORMA Consolidated 30 June 2018 |
|---------------------------------------|--|---|
| CURRENT ASSETS | | |
| Cash and cash equivalents | 514,399 | 4,039,399 |
| Trade and other receivables | 115,016 | 115,016 |
| TOTAL CURRENT ASSETS | 629,415 | 4,154,415 |
| NON-CURRENT ASSETS | | |
| Property, plant and equipment | 240,055 | 240,055 |
| Development and producing assets | 1,862,984 | 1,862,984 |
| Exploration and evaluation assets | 6,934,387 | 6,934,387 |
| Other assets | 81,048 | 81,048 |
| TOTAL NON-CURRENT ASSETS | 9,118,474 | 9,118,474 |
| TOTAL ASSETS | 9,747,889 | 13,272,889 |
| CURRENT LIABILITIES | | |
| Trade and other payables | 275,774 | 275,774 |
| Interest bearing liabilities | 332,310 | 332,310 |
| TOTAL CURRENT LIABILITIES | 608,084 | 608,084 |
| NON-CURRENT LIABILITIES | | |
| Other long-term liabilities | 129,064 | 129,064 |
| Asset retirement obligations | 920,400 | 920,400 |
| Deferred tax liability | 233,688 | 233,688 |
| TOTAL NON-CURRENT LIABILITIES | 1,283,152 | 1,283,152 |
| TOTAL LIABILITIES | 1,891,236 | 1,891,236 |
| NET ASSETS (LIABILITIES) | 7,856,653 | 11,381,653 |
| EQUITY | | |
| Issued capital | 82,302,080 | 85,827,080 |
| Reserves | 9,779,031 | 9,779,031 |
| Retained Earnings/ (Accumulated loss) | (84,224,458) | (84,244,458) |
| TOTAL EQUITY | 7,856,653 | 11,381,653 |

5. RIGHTS AND LIABILITIES ATTACHING TO SECURITIES

5.1 Options

(a) **Entitlement**

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

(b) **Exercise Price**

Subject to paragraph (i), 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) 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 (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.

5.2 Shares

The following is a summary of the more significant rights and liabilities attaching to Shares being offered pursuant to this Prospectus. This summary is not exhaustive and does not constitute a definitive statement of the rights and liabilities of Shareholders. To obtain such a statement, persons should seek independent legal advice.

Full details of the rights and liabilities attaching to Shares are set out in the Constitution, a copy of which is available for inspection at the Company's registered office during normal business hours.

(a) **General meetings**

Shareholders are entitled to be present in person, or by proxy, attorney or representative to attend and vote at general meetings of the Company.

Shareholders may also request or call and arrange to hold general meetings in accordance with the procedures and requirements in the Corporations Act.

(b) **Voting rights**

Subject to the Constitution and any rights or restrictions for the time being attached to any class or classes of shares, at general meetings of shareholders or classes of shareholders:

- (i) each Shareholder entitled to vote may vote in person or by proxy, attorney or representative;
- (ii) on a show of hands, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder has one vote; and
- (iii) on a poll, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder has:
 - (A) for each fully paid Share held by the Shareholder, one vote; and
 - (B) for each partly paid Share held by the Member, a fraction of a vote equivalent to the proportion which the amount paid (not credited) is of the total amounts paid and payable, whether or not called (excluding amounts credited), on the Share. An amount paid on a Share in advance of a call is not taken as paid.

(c) **Dividend rights**

The Directors may by resolution either:

- (i) declare a dividend and may fix the amount, the time for and method of payment; or
- (ii) determine a dividend is payable and fix the amount and the time for and method of payment.

If the Directors determine that a dividend is payable, they may, if permitted by the ASX Listing Rules, amend or revoke the resolution to pay the dividend before the record date notified to ASX for determining entitlements to that dividend.

Interest is not payable by the Company on a dividend

The Directors may set aside out of the profits of the Company such amounts by way of reserves as they think appropriate before declaring a dividend or determining to pay a dividend. The Directors may apply the reserves for any purpose for which profits may be properly applied. Pending any application of the reserves, the Directors may invest or use the reserves in the business of the Company or in other investments as

they think fit. The Directors may carry forward any undistributed profits without transferring them to a reserve.

Subject to the rights of persons (if any) entitled to Shares with special rights as to dividends, all fully paid Shares on which a dividend is declared or paid, are entitled to participate in that dividend equally, and each partly paid Share is entitled to a fraction of the dividend declared or paid on a fully paid Share of the same class, equivalent to the portion which the amount paid (not credited) on the Share bears to the total amounts paid and payable, whether or not called, (excluding amounts credited) on the Share. An amount paid on a Share in advance of a call is not to be taken as paid.

Unless otherwise determined by the Directors, Shares rank for dividends from their date of allotment.

The holder of restricted securities is not entitled to any dividend in respect to those restricted securities.

The Directors may resolve that a dividend (interim or final) will be paid wholly or partly by the transfer or distribution of specific assets, including fully paid shares in, or debentures of, any other corporation.

The Directors may establish a plan under which Shareholders or any class of Shareholders may elect to reinvest cash dividends paid by the Company by Subscribing for Shares.

The Directors may resolve, in respect of any dividend which it is proposed to pay on any Shares, that holders of those Shares may elect to forego their right to share in the proposed dividend or part of the proposed dividend and instead receive an issue of Shares credited as fully paid.

The Directors may resolve to capitalise any sum being the Company's profits or any reserve available for distribution to Shareholders and that no Shares be issued and no amounts unpaid on Shares be paid up on capitalisation of the sum or the sum be applied in accordance with the Constitution for the benefit of the Shareholders in the proportions in which the members would have been entitled if the sum had been distributed by way of Dividend.

(d) **Winding-up**

If the Company is wound up, the liquidator may, with the authority of a special resolution, divide among the Shareholders in kind all or any of the Company's assets and for that purpose, determine how the division is to be carried out as between the Shareholders or different classes of Shareholders.

The liquidator may, with the authority of a special resolution, vest all or any of the Company's assets in a trustee on trusts determined by the liquidator for the benefit of the contributories.

(e) **Shareholder liability**

As the Shares issued will be fully paid shares, they will not be subject to any calls for money by the Directors and will therefore not become liable for forfeiture.

(f) **Transfer of shares**

Generally, shares in the Company are freely transferable, subject to formal requirements, the registration of the transfer not resulting in a contravention of or failure to observe the provisions of a law of Australia and the transfer not being in breach of the Corporations Act and the ASX Listing Rules.

(g) **Future increase in capital**

The issue of any new Shares is under the control of the Directors of the Company. Subject to restrictions on the issue or grant of Securities contained in the ASX Listing Rules, the Constitution and the Corporations Act (and without affecting any special right previously conferred on the holder of an existing share or class of shares), the Directors may issue Shares as they shall, in their absolute discretion, determine.

(h) **Variation of rights**

The rights attached to any class of Shares may be varied in accordance with the Corporations Act. Under section 246B of the Corporations Act, the Company may, with the sanction of a special resolution passed at a meeting of Shareholders vary or abrogate the rights attaching to shares.

If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class), whether or not the Company is being wound up, may be varied or abrogated with the consent in writing of the holders of three quarters of the issued shares of that class, or if authorised by a special resolution passed at a separate meeting of the holders of the shares of that class.

(i) **Alteration of constitution**

In accordance with the Corporations Act, the Constitution can only be amended by a special resolution passed by at least three quarters of Shareholders present and voting at the general meeting. In addition, at least 28 days written notice specifying the intention to propose the resolution as a special resolution must be given.

6. RISK FACTORS

6.1 Introduction

The Securities offered under this Prospectus are considered highly speculative. An investment in the Company is not risk free and the Directors strongly recommend potential investors to consider the risk factors described below, together with information contained elsewhere in this Prospectus and to consult their professional advisers before deciding whether to apply for Securities pursuant to this Prospectus.

There are specific risks which relate directly to the Company's business. In addition, there are other general risks, many of which are largely beyond the control of the Company and the Directors. The risks identified in this section, or other risk factors, may have a material impact on the financial performance of the Company and the market price of the Securities.

The following is not intended to be an exhaustive list of the risk factors to which the Company is exposed.

6.2 Company specific

(a) Going concern risk

While completing the review of the Company's full year, 30 June 2018 financial report, the Company's auditor, Grant Thornton Audit Pty Ltd, noted the following:

"We draw attention to Note 2 in the financial report, which notes net operating cash outflows of \$915,654 and a closing cash balance of \$514,399 for the year ended 30 June 2018. This condition, along with other matters as set forth in Note 2, indicate that a material uncertainty exists that may cast doubt on the Group's ability to continue as a going concern and therefore, the Group may be unable to realise its assets and discharge its liabilities in the normal course of business, and at the amounts stated in the financial reports. Our report has not been modified in respect of this matter."

Notwithstanding the 'going concern' paragraph included in the financial report, the Directors believe the recent placement of \$3,790,000 will provide sufficient funds to adequately meet the Company's current expenditure commitments and short term working capital requirements. The Directors also believe the Company has demonstrated the ability to raise capital through equity markets if the Company requires further funding to meet the medium to long term working capital costs of the Company.

(b) Loss of land holding

The Company does not expect to retain all of its current land holding. Given the current economic conditions, the Company intends to primarily concentrate its exploration on its 100% owned Pathfinder Project in Colorado and Kentucky project as a non-core property as it is of the opinion that this will provide the quickest returns on its capital.

(c) **Funding**

The Company's ability to effectively implement its business and operations plans in the future, to take advantage of opportunities for acquisitions, joint ventures or other business opportunities and to meet any unanticipated liabilities or expenses which the Company may incur may depend in part on its ability to raise additional funds. The Company may seek to raise further funds through equity or debt financing, joint ventures, production sharing arrangements or other means. Failure to obtain sufficient financing for the Company's activities and future projects may result in delay and indefinite postponement of exploration, development or production on the Company's properties or even loss of a property interest. There can be no assurance that additional finance will be available when needed or, if available, the terms of the financing might not be favourable to the Company and might involve substantial dilution to Shareholders.

Further, the Company, in the ordinary course of its operations and developments, is required to issue financial assurances, particularly insurances and bond/bank guarantee instruments to secure statutory and environmental performance undertakings and commercial arrangements. The Company's ability to provide such assurances is subject to external financial and credit market assessments, and its own financial position.

Loan agreements and other financing rearrangements such as debt facilities, convertible note issue and finance leases (and any related guarantee and security) that may be entered into by the Company may contain covenants, undertakings and other provisions which, if breached, may entitle lenders to accelerate repayment of loans and there is no assurance that the Company would be able to repay such loans in the event of an acceleration. Enforcement of any security granted by the Company or default under a finance lease could also result in the loss of assets.

The Company is exposed to risks associated with its financial instruments (consisting of cash, receivables, accounts payable and accrued liabilities due to third parties from time to time). This includes the risk that a third party to a financial instrument fails to meet its contractual obligations; the risk that the Company will not be able to meet its financial obligations as they fall due; and the risk that market prices may vary which will affect the Company's income.

(d) **Contractual Risk**

The Company's ability to efficiently conduct its operations in a number of respects depends upon a number of contracts. As in any contractual relationship, the ability for the Company to ultimately receive the benefit of the contract is dependent upon the relevant third party complying with its contractual obligations. To the extent that such third parties default in their obligations, it may be necessary for the Company to enforce its rights under any of the contracts and pursue legal action. Such legal action may be costly and no guarantee can be given by the Company that a legal remedy will ultimately be granted on appropriate terms.

(e) **Regulatory Risks**

The Company's drilling activities are subject to extensive laws and regulations. The Company requires approval for drilling permits which are issued by the Colorado Oil and Gas Commission.

Obtaining necessary approvals can be a time-consuming process and there is a risk that Company will not obtain these approvals. The costs and delays associated with obtaining the necessary approvals and complying with applicable laws and regulations could materially delay or restrict the Company from proceeding with the development or the operation of its wells. Any failure to comply with applicable laws and regulations, even if inadvertent, could result in material fines, penalties or other liabilities. In extreme cases, failure could result in suspension of the Company's activities or forfeiture of one or more of its wells.

6.3 Industry Specific

(a) **Oil & Gas Exploration**

The prospects in which the Company has an interest are at various stages of pre-exploration due diligence, exploration or production, and potential investors should understand that exploration and development are high-risk undertakings.

Oil and gas exploration is a high risk, speculative activity that requires a large amount of expenditure over extended periods of time. There is no guarantee that exploration will result in commercial discoveries.

Technical conclusions during exploration, appraisal and production are subject to the uncertainties associated with all sampling techniques and to the risk of incorrect interpretation of geological, geophysical, drilling and other data.

By its nature, the business of oil and gas exploration contains elements of significant risk with no guarantee of success. Ultimate and continuous exploration success is dependent on many factors such as:

- (i) access to adequate capital;
- (ii) the design and construction of efficient exploration programs and expenditure budgets;
- (iii) securing and maintaining title to interests including maintaining lease obligations;
- (iv) cost overruns in drilling and other equipment failure, such as wear and tear;
- (v) obtaining consents and approvals necessary for the conduct of oil and gas exploration; and
- (vi) access to competent exploration and operational management and prudent financial administration, including the availability and reliability of appropriately skilled and experienced employees, contractors and consultants.

Adverse weather conditions over a prolonged period can adversely affect exploration and development operations and the timing of revenues

(b) **Commercialisation**

Even if the Company recovers potentially commercial quantities of oil and gas, there is no guarantee that the Company will be able to successfully transport the oil and gas to commercially viable markets or sell the oil and gas to customers to achieve a commercial return.

(c) **Oil and gas reserves and commercial law**

Oil and gas reserves are expressions of judgment based on knowledge, experience and industry practice. Estimates, which were valid when originally calculated, may change significantly when new information or techniques becomes available. In addition, by their nature, oil and gas reserves are imprecise and depend to some extent on interpretations which may prove to be inaccurate. As further information becomes available through additional fieldwork and analysis, the estimates are likely to change. This may result in alterations to development and commercial flow plans which may, in turn, either benefit or adversely affect the Company's operations.

(d) **Operations**

The operations of the Company may be affected by various factors, including failure to locate or identify oil and gas reserves, failure to achieve predicted well production flow rates, operational and technical difficulties encountered in production, difficulties in commissioning and operating plant and equipment, mechanical failure or plant breakdown, unanticipated reservoir problems which may affect field production performance, adverse weather conditions, industrial and environmental accidents, industrial disputes and unexpected shortages or increases in the costs of consumables, spare parts, plant and equipment.

No assurances can be given that the Company will achieve commercial viability through the successful exploration and/or production of the Pathfinder and Kentucky Prospects.

(e) **Production risk**

There is a risk that aggregate production from resources will not meet expectations and may decline beyond estimates. Disruption to or any reduction in the expected production of the Company's oil and gas related investments may result in variations to the Company's expected revenue and could have an adverse effect on the Company's financial performance and ongoing operations.

(f) **Oil and gas volatility and exchange rates**

If the Company achieves success leading to oil and gas production, the revenue it will derive through the sale of oil and gas exposes the potential income of the Company to oil and gas price and exchange rate risks. Oil and gas prices fluctuate and are affected by many factors beyond the control of the Company. Such factors include supply and demand fluctuations, technological advancements, forward selling activities and other macro-economic factors.

Furthermore, international prices of oil and gas are denominated in United States dollars, whereas the income and expenditure of the Company are and will be taken into account in Australian currency, exposing the Company to the fluctuations and volatility of the rate of exchange between the United States dollar and the Australian dollar as determined in international markets.

(g) **Environmental**

The operations and proposed activities of the Company will be subject to US laws and regulations concerning the environment. As with most exploration projects and production operations, the Company's activities are expected to have an impact on the environment, particularly if advanced exploration or field development proceeds. It is the Company's intention to conduct its activities to the highest standard of environmental obligation, including compliance with all environmental laws. Nevertheless, there are certain risks inherent in the Company's activities such as accidental leakages or spills, or other unforeseen circumstances which could subject the Company to extensive liability.

(h) **Sovereign**

The Company's projects outside Australia are subject to the risks associated in operating in a foreign country. These risks may include economic, social or political instability or change, hyperinflation, currency non-convertibility or instability and changes of law affecting foreign ownership, government participation, taxation, working conditions, rates of exchange, exchange control, exploration licensing, export duties, repatriation of income or return of capital, environmental protection, labour relations as well as government control over natural resources or government regulations that require the employment of local staff or contractors or require other benefits to be provided to local residents.

Any future material adverse changes in government policies or legislation in foreign jurisdictions in which the Company has projects that affect foreign ownership, exploration, development or activities of companies involved in oil and gas exploration and production, may affect the viability and profitability of the Company.

(i) **Title**

The system for obtaining development rights to oil and gas leases in Colorado and Kentucky can be complex given that numerous parties may hold the undivided mineral estate to a particular tract of land. Securing the leases to those mineral estates often requires lengthy negotiation with the various parties.

In order to independently verify that the parties with whom a company is dealing are the correct and sole holders of the mineral estate and to analyse the full rights and restrictions applying to the interest held by those parties requires that a company obtain detailed title opinions from appropriately qualified and experienced lawyers in Colorado and Kentucky. This can be a lengthy and expensive process and the final opinions are often the subject of numerous qualifications and requirements.

6.4 General risks

(a) Economic

General economic conditions, introduction of tax reform, new legislation, movements in interest and inflation rates and currency exchange rates may have an adverse effect on the Company's exploration, development and production activities, as well as on its ability to fund those activities.

(b) Market conditions

Share market conditions may affect the value of the Company's quoted securities regardless of the Company's operating performance. Share market conditions are affected by many factors such as:

- (i) general economic outlook;
- (ii) introduction of tax reform or other new legislation;
- (iii) interest rates and inflation rates;
- (iv) changes in investor sentiment toward particular market sectors;
- (v) the demand for, and supply of, capital; and
- (vi) terrorism or other hostilities.

The market price of securities can fall as well as rise and may be subject to varied and unpredictable influences on the market for equities in general and resource exploration stocks in particular. Neither the Company nor the Directors warrant the future performance of the Company or any return on an investment in the Company.

(c) Taxation

The acquisition and disposal of Securities will have tax consequences, which will differ depending on the individual financial affairs of each investor. All potential investors in the Company are urged to obtain independent financial advice about the consequences of acquiring Securities from a taxation viewpoint and generally.

To the maximum extent permitted by law, the Company, its officers and each of their respective advisors accept no liability and responsibility with respect to the taxation consequences of subscribing for Securities under this Prospectus.

(d) Reliance on key personnel

The responsibility of overseeing the day-to-day operations and the strategic management of the Company depends substantially on its senior management and its key personnel. There can be no assurance given that there will be no detrimental impact on the Company if one or more of these employees cease their employment.

(e) **Managing Growth**

The Company's success will depend on its ability to expand its operations. If the Company is unable to successfully manage the expansion of its business, its financial condition and results of operations could be materially adversely affected.

6.5 Speculative investment

The above list of risk factors ought not to be taken as exhaustive of the risks faced by the Company or by investors in the Company. The above factors, and others not specifically referred to above, may in the future materially affect the financial performance of the Company and the value of the securities offered under this Prospectus.

Therefore, the Securities to be issued pursuant to this Prospectus (or Shares to be issued upon exercise of the new Options) carry no guarantee with respect to the payment of dividends, returns of capital or the market value of those Securities.

Potential investors should consider that the investment in the Company is highly speculative and should consult their professional advisers before deciding whether to apply for Securities pursuant to this Prospectus.

7. MATERIAL CONTRACTS

7.1 Advisor Agreements

The Company engaged the Advisors to assist and manage the Placement.

The Company agreed to pay the following fees and issue the following securities to the Advisors:

- (a) an Advisor fee of 6% of the amount raised under the Placement by each Advisor (exclusive of GST); and
- (b) 50,000,000 Options will be issued pro-rated to each Advisor.

No formal agreements were entered into with the Advisors in respect of their services provided for the Placement.

7.2 PAC Research Mandate

The Company has entered into a research mandate with PAC Partners Pty Ltd (**PAC**) dated 17 September 2018, pursuant to which PAC has agreed to provide research services including simplified financial model, full year result notes and major event notes (**PAC Research Mandate**).

As consideration for research services provided to the Company, the Company agreed to pay PAC the following fees:

- (a) a monthly retainer of \$3,500; and
- (b) all out of pocket expenses incurred by PAC in connection with services provided.

8. ADDITIONAL INFORMATION

8.1 Litigation

As at the date of this Prospectus, the Company is not involved in any legal proceedings and the Directors are not aware of any legal proceedings pending or threatened against the Company.

8.2 Continuous disclosure obligations

The Company is a “disclosing entity” (as defined in section 111AC of the Corporations Act) for the purposes of section 713 of the Corporations Act and, as such, is subject to regular reporting and disclosure obligations. Specifically, like all listed companies, the Company is required to continuously disclose any information it has to the market which a reasonable person would expect to have a material effect on the price or the value of the Company's securities.

This Prospectus is a “transaction specific prospectus”. In general terms a “transaction specific prospectus” is only required to contain information in relation to the effect of the issue of securities on a company and the rights attaching to the securities. It is not necessary to include general information in relation to all of the assets and liabilities, financial position, profits and losses or prospects of the issuing company.

This Prospectus is intended to be read in conjunction with the publicly available information in relation to the Company which has been notified to ASX and does not include all of the information that would be included in a prospectus for an initial public offering of securities in an entity that is not already listed on a stock exchange. Eligible Applicants should therefore have regard to the other publicly available information in relation to the Company.

Having taken such precautions and having made such enquires as are reasonable, the Company believes that it has complied with the general and specific requirements of ASX as applicable from time to time throughout the 3 months before the issue of this Prospectus which required the Company to notify ASX of information about specified events or matters as they arise for the purpose of ASX making that information available to the stock market conducted by ASX.

Information that is already in the public domain has not been reported in this Prospectus other than that which is considered necessary to make this Prospectus complete.

The Company, as a disclosing entity under the Corporations Act states that:

- (a) it is subject to regular reporting and disclosure obligations;
- (b) copies of documents lodged with the ASIC in relation to the Company (not being documents referred to in section 1274(2)(a) of the Corporations Act) may be obtained from, or inspected at, the offices of the ASIC; and
- (c) it will provide a copy of each of the following documents, free of charge, to any person on request between the date of issue of this Prospectus and the Closing Date:
 - (i) the annual financial report most recently lodged by the Company with the ASIC;

- (ii) any half-year financial report lodged by the Company with the ASIC after the lodgement of the annual financial report referred to in (i) and before the lodgement of this Prospectus with the ASIC; and
- (iii) any continuous disclosure documents given by the Company to ASX in accordance with the ASX Listing Rules as referred to in section 674(1) of the Corporations Act after the lodgement of the annual financial report referred to in (i) and before the lodgement of this Prospectus with the ASIC.

Copies of all documents lodged with the ASIC in relation to the Company can be inspected at the registered office of the Company during normal office hours.

Details of documents lodged by the Company with ASX since the date of lodgement of the Company's latest annual financial report and before the lodgement of this Prospectus with the ASIC are set out in the table below.

| Date | Description of Announcement |
|------------------|--|
| 16 October 2018 | Results of Meeting |
| 22 October 2018 | Production and Drilling Update |
| 30 October 2018 | Notice of Annual General Meeting/Proxy Form |
| 31 October 2018 | Quarterly Activities Report |
| 31 October 2018 | Quarterly Cashflow Report |
| 5 November 2018 | Amerigo Vespucci 1 Well Spuds this Week |
| 12 November 2018 | Amerigo Vespucci Drilling Update |
| 14 November 2018 | Appendix 3B |
| 14 November 2018 | Change of Director's Interest Notices - Appx 3y - x5 |
| 23 November 2018 | Appendix 3B & Cleansing Statement |
| 27 November 2018 | FPL cancellation of Long Term Incentive Performance Rights |
| 29 November 2018 | Results of Annual General Meeting |
| 3 December 2018 | Amerigo Vespucci Well - Drilling Update |
| 3 December 2018 | Appendix 3B and Cleansing Statement |
| 4 December 2018 | Becoming a substantial holder |

ASX maintains files containing publicly available information for all listed companies. The Company's file is available for inspection at ASX during normal office hours.

The announcements are also available through the Company's website www.fremontpetroleum.com/.

8.3 Market price of shares

The Company is a disclosing entity for the purposes of the Corporations Act and its Shares are enhanced disclosure securities quoted on ASX.

The highest, lowest and last market sale prices of the Shares on ASX during the three months immediately preceding the date of lodgement of this Prospectus with the ASIC and the respective dates of those sales were:

| | | |
|---------|---------|--|
| Highest | \$0.009 | 5 September 2018 6 September 2018 7 September 2018 25 September 2018 2 October 2018 3 October 2018 4 October 2018 |
| Lowest | \$0.005 | 23 October 2018 24 October 2018 18 November 2018 20 November 2018 27 November 2018 3 December 2018 9 December 2018 |
| Last | \$0.006 | 11 December 2018 |

8.4 Interests of Directors

Other than as set out in this Prospectus, no Director or proposed Director holds, or has held within the 2 years preceding lodgement of this Prospectus with the ASIC, any interest in:

- (a) the formation or promotion of the Company;
- (b) any property acquired or proposed to be acquired by the Company in connection with:
 - (i) its formation or promotion; or
 - (ii) the Offer; or
- (c) the Offer,

and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to a Director or proposed Director:

- (a) as an inducement to become, or to qualify as, a Director; or
- (b) for services provided in connection with:
 - (i) the formation or promotion of the Company; or
 - (ii) the Offer.

Security holdings

The relevant interest of each of the Directors (or their nominees) in the securities of the Company as at the date of this Prospectus is set out in the table below.

| Director | Shares | Options |
|-----------|-----------|------------------------|
| Guy Goudy | 8,342,210 | 1,280,196 ¹ |

| | | |
|------------------|------------|-------------------------|
| Timothy Hart | 7,670,926 | 1,087,746 ² |
| Andrew Blow | 4,064,285 | 357,143 ³ |
| Samuel Jarvis | 96,214,288 | 36,821,429 ⁴ |
| Stuart Middleton | 8,371,428 | 1,571,429 ⁵ |

Notes:

1. Guy Goudy will also receive a total of 714,286 Options pursuant to the Director Offer under this Prospectus (approved by Shareholders at the General Meeting).
2. Timothy Hart will also receive a total of 714,286 Options pursuant to the Director Offer under this Prospectus (approved by Shareholders at the General Meeting).
3. Andrew Blow will also receive a total of 357,143 Options pursuant to the Director Offer under this Prospectus (approved by Shareholders at the General Meeting).
4. Samuel Jarvis will also receive a total of 10,714,286 Options pursuant to the Director Offer under this Prospectus (approved by Shareholders at the General Meeting).
5. Stuart Middleton will also receive a total of 1,071,429 Options pursuant to the Director Offer under this Prospectus (approved by Shareholders at the General Meeting).

Remuneration

The remuneration of each executive Director is determined in accordance with the Company's remuneration framework, which is approved by the Board. The total maximum remuneration of non-executive Directors is initially set by the Constitution and subsequent variation is by ordinary resolution of Shareholders in general meeting in accordance with the Constitution, the Corporations Act and the ASX Listing Rules, as applicable. The determination of non-executive Directors' remuneration within that maximum will be made by the Board having regard to the inputs and value to the Company of the respective contributions by each non-executive Director. The current amount payable in aggregate to all non-executive directors has been set at an amount not to exceed \$500,000 per annum.

A Director may be paid fees or other amounts (i.e. non-cash performance incentives such as Options, subject to any necessary Shareholder approval) as the other Directors determine where a Director performs special duties or otherwise performs services outside the scope of the ordinary duties of a Director. In addition, Directors are also entitled to be paid reasonable travelling, hotel and other expenses incurred by them respectively in or about the performance of their duties as Directors.

The following table shows the total (and proposed) annual remuneration paid to both executive and non-executive directors.

| Related Party | Proposed 2019 | FY 2018(\$) |
|------------------|----------------------|----------------------|
| Guy Goudy | 308,678 ¹ | 237,830 ² |
| Timothy Hart | 308,678 ³ | 242,516 ⁴ |
| Stuart Middleton | 78,195 ⁵ | 27,260 ⁶ |
| Andrew Blow | 78,195 ⁷ | 27,260 ⁸ |
| Samuel Jarvis | 73,635 ⁹ | 8,000 ¹⁰ |

Notes:

1. Consists of \$209,409 (US\$150,000) in salary and fees, \$48,000 in Shares and \$51,269 in accrued performance rights for Guy Goudy.

2. Consists of \$214,330 (US\$156,024) in salary and fees, \$0 in superannuation, \$7,500 in accrued performance rights and \$16,000 in Shares for Guy Goudy.
3. Consists of \$209,409 (US\$150,000) in salary and fees and \$48,000 in Shares and \$51,269 in accrued performance rights for Timothy Hart.
4. Consists of \$219,016 (US\$159,435) in salary and fees, nil in superannuation, \$7,500 in accrued performance rights and \$16,000 in shares for Timothy Hart.
5. Consists of \$48,000 in Shares, \$4,560 in superannuation and \$25,635 in accrued performance rights for Stuart Middleton.
6. Consists of \$8,000 in salary and fees, \$760 in superannuation, \$2,500 in accrued performance rights and \$16,000 in shares for Stuart Middleton.
7. Consists of \$48,000 in Shares, \$4,560 in superannuation and \$25,635 in accrued performance rights for Andrew Blow.
8. Consists of \$8,000 in salary and fees, \$760 in superannuation, \$2,500 in accrued performance rights and \$16,000 in shares for Andrew Blow.
9. Consists of \$48,000 in Shares and \$25,635 in accrued performance rights for Samuel Jarvis.
10. Consists of \$8,000 in shares for Samuel Jarvis.

8.5 Interests of experts and advisers

Other than as set out below or elsewhere in this Prospectus, no:

- (a) person named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus;
- (b) promoter of the Company; or
- (c) underwriter (but not a sub-underwriter) to the issue or a financial services licensee named in this Prospectus as a financial services licensee involved in the issue,

holds, or has held within the 2 years preceding lodgement of this Prospectus with the ASIC, any interest in:

- (a) the formation or promotion of the Company;
- (b) any property acquired or proposed to be acquired by the Company in connection with:
 - (i) its formation or promotion; or
 - (ii) the Offer; or
- (c) the Offer,

and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to any of these persons for services provided in connection with:

- (a) the formation or promotion of the Company; or
- (b) the Offer.

Steinepreis Paganin has acted as the solicitors to the Company in relation to the Offer. The Company estimates it will pay Steinepreis Paganin \$10,000 (excluding GST and disbursements) for these services. During the 24 months preceding lodgement of this Prospectus with the ASIC, Steinepreis Paganin has been paid fees totalling \$132,685 (excluding GST and disbursements) for legal services provided to the Company.

Grant Thornton Audit Pty Ltd act as the auditors to the Company and has consented to the inclusion of statements contained in Section 4.5 in the form and context in which they are included. During the 24 months preceding lodgement of this Prospectus with the ASIC, Grant Thornton Audit Pty Ltd has been paid fees totalling \$150,228.05 (excluding GST and disbursements) for services provided to the Company.

8.6 Consents

Chapter 6D of the Corporations Act imposes a liability regime on the Company (as the offeror of the securities), the Directors, the persons named in the Prospectus with their consent as Proposed Directors, any underwriters, persons named in the Prospectus with their consent having made a statement in the Prospectus and persons involved in a contravention in relation to the Prospectus, with regard to misleading and deceptive statements made in the Prospectus, Although the Company bears primary responsibility for the Prospectus, the other parties involved in the preparation of the Prospectus can also be responsible for certain statements made in it.

Each of the parties referred to in this section:

- (a) does not make, or purport to make, any statement in this Prospectus other than those referred to in this section; and
- (b) in light of the above, only to the maximum extent permitted by law, expressly disclaim and take no responsibility for any part of this Prospectus other than a reference to its name and a statement included in this Prospectus with the consent of that party as specified in this section.

Steinepreis Paganin has given its written consent to being named as the solicitors to the Company in this Prospectus. Steinepreis Paganin has not withdrawn its consent prior to the lodgement of this Prospectus with the ASIC.

Grant Thornton Audit Pty Ltd has given its written consent to being named as the auditors to the Company in this Prospectus. Grant Thornton Audit Pty Ltd has not withdrawn its consent prior to the lodgement of this Prospectus with the ASIC.

8.7 Expenses of the offer

The total expenses of the Offer are estimated to be approximately \$312,162 (excluding GST) and are expected to be applied towards the items set out in the table below:

| | |
|---------------|------------------|
| | \$ |
| ASIC fees | 3,206 |
| ASX fees | 16,556 |
| Legal fees | 15,000 |
| Advisor Fees | 227,400 |
| Miscellaneous | 50,000 |
| Total | \$312,162 |

The estimated expenses will be paid out of the Company's existing working capital.

8.8 Electronic prospectus

If you have received this Prospectus as an electronic Prospectus, please ensure that you have received the entire Prospectus accompanied by the Application

Form. If you have not, please phone the Company on +61 2 9299 9580 and the Company will send you, for free, either a hard copy or a further electronic copy of the Prospectus, or both.

The Company reserves the right not to accept an Application Form from a person if it has reason to believe that when that person was given access to the electronic Application Form, it was not provided together with the electronic Prospectus and any relevant supplementary or replacement prospectus or any of those documents were incomplete or altered.

8.9 Financial forecasts

The Directors have considered the matters set out in ASIC Regulatory Guide 170 and believe that they do not have a reasonable basis to forecast future earnings on the basis that the operations of the Company are inherently uncertain. Accordingly, any forecast or projection information would contain such a broad range of potential outcomes and possibilities that it is not possible to prepare a reliable best estimate forecast or projection.

8.10 Clearing House Electronic Sub-Register System (CHES) and Issuer Sponsorship

The Company will not be issuing option certificates. The Company is a participant in CHES, for those investors who have, or wish to have, a sponsoring stockbroker. Eligible Applicants who do not wish to participate through CHES will be issuer sponsored by the Company. Because the sub-registers are electronic, ownership of securities can be transferred without having to rely upon paper documentation.

Electronic registers mean that the Company will not be issuing certificates to Eligible Applicants. Instead, Eligible Applicants will be provided with a statement (similar to a bank account statement) that sets out the number of Options allotted to them under this Prospectus. The notice will also advise holders of their Holder Identification Number or Security Holder Reference Number and explain, for future reference, the sale and purchase procedures under CHES and issuer sponsorship.

Further monthly statements will be provided to holders if there have been any changes in their security holding in the Company during the preceding month.

8.11 Privacy Act

If you complete an application for Options, you will be providing personal information to the Company (directly or by the Company's share registry). The Company collects, holds and will use that information to assess your application, service your needs as a holder of equity securities in the Company, facilitate distribution payments and corporate communications to you as a Shareholder and carry out administration.

The information may also be used from time to time and disclosed to persons inspecting the register, bidders for your securities in the context of takeovers, regulatory bodies, including the Australian Taxation Office, authorised securities brokers, print service providers, mail houses and the Company's share registry.

You can access, correct and update the personal information that we hold about you. Please contact the Company or its share registry if you wish to do so at the relevant contact numbers set out in this Prospectus.

Collection, maintenance and disclosure of certain personal information is governed by legislation including the *Privacy Act 1988* (Cth) (as amended), the

Corporations Act and certain rules such as the ASX Settlement Operating Rules. You should note that if you do not provide the information required on the application for Options, the Company may not be able to accept or process your application.

9. DIRECTORS' AUTHORISATION

This Prospectus is issued by the Company and its issue has been authorised by a resolution of the Directors.

In accordance with section 720 of the Corporations Act, each Director has consented to the lodgement of this Prospectus with the ASIC.

Guy T. Goudy
Director
For and on behalf of
FREMONT PETROLEUM CORPORATION LIMITED

10. GLOSSARY

\$ means the lawful currency of the Commonwealth of Australia.

Advisor means those companies or persons that assisted with the Placement and, as a result, have an entitlement to be issued the Adviser Options (all of whom are not related parties of the Company).

Advisor Offer means the offer of Adviser Options as per section 3.2 of this Prospectus.

Advisor Options has the meaning given to it in clause 3.2.

Application Form means the application form accompanying this Prospectus.

ASIC means the Australian Securities and Investments Commission.

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

ASX Listing Rules means the listing rules of the ASX.

ASX Settlement Operating Rules means the settlement rules of the securities clearing house which operates CHESS.

Board means the board of Directors unless the context indicates otherwise.

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.

Closing Date means the date specified in the timetable set out at the commencement of this Prospectus (unless extended).

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

Constitution means the constitution of the Company as at the date of this Prospectus.

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

Directors means the directors of the Company as at the date of this Prospectus.

Director Offer means the offer of Placement Options to Directors as per section 3.3 of this Prospectus.

Director Options has the meaning given to it in clause 3.3.

Eligible Applicant means an applicant who participated in the Placement or an Advisor or a Director who participated in the Placement or the Previous Placement Subscriber (as the case may be).

General Meeting means the general meeting of the Company held on 16 October 2018.

Notice of Meeting means the notice of meeting for the General Meeting.

Offers means the offers for Options under the Placement Offer, the Advisor Offer, the Director Offer and the Previous Placement Offer the subject of this Prospectus.

Option means an option to acquire a Share on the terms and conditions set out in section 5.1 of this Prospectus.

Optionholder means a holder of an Option.

Placement means the placement of 514,285,721 Shares to sophisticated and professional investors at an issue price of \$0.007 per Share together with one free attaching Option for every two Shares subscribed for (as announced on 5 September 2018).

Placement Offer means the offer for Placement Options as per section 3.1 of this Prospectus.

Placement Options has the meaning given to it in section 3.1 of this Prospectus.

Placement Shares has the meaning given to it in section 3.1 of this Prospectus.

Previous Placement has the meaning given to it in section 3.4.

Previous Placement Offer means the offer of Options to the Previous Placement Subscriber as per section 3.4 of this Prospectus.

Previous Placement Options has the meaning given to it in section 3.4.

Previous Placement Subscriber has the meaning given to it in section 3.4.

Previous Prospectus has the meaning given to it in section 3.4.

Prospectus means this prospectus.

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

Shareholder means a holder of a Share.

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

Application Form - Options

Opening Date: 12 December 2018

| | |
|----------------------|---|
| Closing Date: | 5pm (AEST time) 7 January 2019 |
|----------------------|---|

Price per Option: NIL

A Details of Offers

This is an important document which requires your immediate attention.

Fremont Petroleum Corporation Limited (**Fremont Petroleum**) is offering Subscribers the opportunity to apply, using this Application Form, for Options under the Placement Offer, the Advisor Offer, the Director Offer and the Previous Placement Offer, pursuant to the prospectus dated 12 December 2018 to which this Application Form is attached (**Prospectus**). The Options will be issued for nil cash consideration and will be exercisable at \$0.02 (2 cents), expiring on 31 March 2020. Each Option gives the Subscriber the right to subscribe for 1 share. The Prospectus expires on the Closing Date. Before applying for Options under the Prospectus, you should carefully read the Prospectus and contact your stockbroker, accountant or other professional adviser if you have any questions on the Prospectus or the Offers.

Terms not defined in this Application Form have the same meaning as in the Prospectus.

B Application for Options

| | |
|---|--------------------------|
| The Subscriber wishes to apply under the Prospectus for its full entitlement of Options under the Placement Offer, Advisor Offer, Director Offer, Previous Placement Offer (as applicable) | <input type="checkbox"/> |
|---|--------------------------|

Please mark the above box with a tick to confirm that you wish to apply for your full entitlement of Options.

Notes:

- (a) Participants in the Placement Offer, Director Offer and Previous Placement Offer are entitled to subscribe for 1 Option for every 2 Shares subscribed for under each respective Offer, which number represents your full entitlement for the purposes of the confirmation above.
- (b) Participants in the Advisor Offer are entitled to the amount of Advisor Options agreed to be issued by Fremont Petroleum as consideration for services provided in respect of the Placement Offer.
- (c) The Company will not issue more Options to any Subscriber than the number of Options it agrees to issue to that Subscriber in connection with the Offers. Your entitlement to Options is personal to each Subscriber and is non-renounceable.
- (d) If you do not wish to subscribe for any Options, do nothing.
- (e) If you wish to apply for a lesser number of Options than your full entitlement, please contact the Share Registry.

C Enquiries

If you are unsure how to complete this form, please contact the Fremont Petroleum Shareholder Information Line on 1300 737 760 or +612 9290 9600 if outside Australia.

D Declarations and Acknowledgments

By lodging this Application Form you acknowledge and confirm that:

- (a) you are an Eligible Applicant under the Prospectus;
- (b) the information about you and your application for Options is complete and accurate;
- (c) you have received a full copy of the Prospectus (including this Application Form) and have read and understood it;
- (d) you authorise the Company to place your name on the register of the Company in respect of the Options allotted to you;
- (e) you agree to be bound by the constitution of the Company, the terms of issue of the Options and the terms of the Prospectus and Application Form in respect of the Options.

Any personal information collected by Fremont Petroleum on this Application Form will be dealt with in accordance with applicable privacy requirements.

NO PAYMENT OR SIGNATURE IS REQUIRED ON THIS FORM

THE OFFERS ARE NON-RENOUNCEABLE

Application Forms must be received by no later than 5pm (AEST) on Monday, 7 January 2019.

You should allow sufficient time for this to occur.

MAILING ADDRESS

 Boardroom Pty Limited
 GPO Box 3993
 SYDNEY NSW 2001

DELIVERY ADDRESS

 Boardroom Pty Limited
 Level 12, 225 George Street
 SYDNEY NSW 2000