

# **Notice of Annual General Meeting and Explanatory Memorandum**

**Date of meeting:**

Thursday 12 November 2015

**Time of meeting:**

10:30am

(Australian Central Daylight Saving Time)

**Place of meeting:**

PwC Building

Level 11, 70 Franklin Street

Adelaide, South Australia

**This is an important document. Please read it carefully and in its entirety.  
If you do not understand it, please consult with your professional advisers.**

**If you are unable to attend the AGM, please complete the Proxy Form  
enclosed and return it in accordance with the instructions set out in that form.**

**The annual report is available online, visit  
<http://www.cooperenergy.com.au/investor-information/reports>**

# Notice of 2015 Annual General Meeting

## **Background Information**

To assist you in deciding how to vote on the Resolutions, further details as background information to the Resolutions are set out in the Explanatory Notes forming part of this Notice of Meeting.

The Annual General Meeting of Cooper Energy Limited ABN 93 096 170 295 (Company) will be held at 10.30 am (ACDST) on Thursday, 12 November 2015 at the PwC Building, Level 11, 70 Franklin Street, Adelaide.

## **Business**

### **Financial Statements and Reports**

To receive and consider the Company's Annual Report, Directors' Report (incorporating the Remuneration Report) and Auditor's Report for the financial year ended 30 June 2015.

Note: There is no vote on this item.

### **Resolution 1 – Adoption of Remuneration Report**

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

*"That the Remuneration Report as set out in the Directors' Report for the financial year ended 30 June 2015 be adopted."*

Note: A voting exclusion for this Resolution is set out under Important Information below.

### **Resolution 2 – Re-election of Mr Jeffrey Schneider as a director**

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

*"That Mr Jeffrey Schneider, a director of the Company who retires by rotation in accordance with clause 5.1 of the Constitution and being eligible, offers himself for re-election, be re-elected as a director of the Company."*

### **Resolution 3 – Approval of new Equity Incentive Plan**

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

*"That, for the purpose of Listing Rule 7.2 Exception 9(b) and for all other purposes, the Company's proposed equity incentive plan as summarised in the Explanatory Notes, be approved."*

Note: A voting exclusion for this Resolution is set out under Important Information below.

#### **Resolution 4 – Issue of rights to Mr David Maxwell, Managing Director**

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

*“That, for the purpose of Listing Rule 10.14 and for all other purposes, the issue to Mr David Maxwell of performance rights and share appreciation rights pursuant to the Company’s equity incentive plan as described in the Explanatory Notes, be approved.”*

Note: A voting exclusion for this Resolution is set out under Important Information below.

#### **Resolution 5 – Issue of rights to Mr Hector Gordon, Executive Director**

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

*“That, for the purpose of Listing Rule 10.14 and for all other purposes, the issue to Mr Hector Gordon of performance rights and share appreciation rights pursuant to the Company’s equity incentive plan as described in the Explanatory Notes, be approved.”*

Note: A voting exclusion for this Resolution is set out under Important Information below.

#### **Resolution 6 – Approval of 10% Placement Facility**

To consider and, if thought fit, to pass the following resolution as a **special resolution**:

*“That for the purpose of Listing Rule 7.1A and for all other purposes, the issue of Equity Securities totaling up to 10% of the issued capital of the Company (at the time of issue) calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 on the terms and conditions set out in the Explanatory Notes, be approved.”*

Note: A voting exclusion for this Resolution is set out under Important Information below.



By order of the Board

Alison Evans  
Company Secretary

9 October 2015

# Important Information

**The information set out below forms part of this Notice of Meeting.**

## 1. Voting exclusion for Resolution 1

The Company will disregard any votes cast on Resolution 1 by the Company's key management personnel (**KMP**), as named in the Remuneration Report, or their closely related parties (as defined in the Corporations Act, including certain family members, dependents and companies they control).

The Company need not disregard a vote cast on this Resolution by a person described above if the vote is cast by that person as proxy for a person who is permitted to vote on the Resolution and in accordance with directions on the proxy form.

If you appoint the Chairman as your proxy on this Resolution and the proxy is not directed, you expressly authorise the Chairman to cast your vote on this Resolution.

**The Chairman intends to vote all available proxies (including undirected proxies) in favour of Resolution 1.**

## 2. Voting exclusions for Resolutions 3, 4, and 5

In accordance with the Listing Rules, the Company will disregard any votes cast on Resolutions 3, 4 and 5 by any director that is eligible to participate in the Company's employee incentive plan and any of their associates. However, the Company will not disregard a vote if:

- it is cast by a person as 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.

In addition, in accordance with the *Corporations Act 2001* (Cth), a vote must not be cast on Resolutions 3, 4, and 5 by the Company's KMP (or by any closely related party of any KMP) acting as a proxy unless the vote is cast as proxy for a person who is permitted to vote and in accordance with the directions on the proxy form.

If you appoint the Chairman as your proxy on Resolutions 3, 4 or 5 and the proxy is not directed, you expressly authorise the Chairman to cast your vote on these Resolutions.

**The Chairman intends to vote all available proxies (including undirected proxies) in favour of Resolutions 3, 4 and 5.**

## 3. Voting exclusion for Resolution 6

The Company will disregard any votes cast on Resolution 6 by a person (and any associates of such a person) who may participate in the 10% placement facility and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary Shares, if Resolution 6 is passed. However, the Company will not disregard a vote if:

- it is cast by a person as 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.

At the date of this Notice of Meeting, the Company has not approached any particular existing shareholder or identifiable class of existing shareholder to participate in the issue of the Equity Securities. No existing shareholder's votes will therefore be excluded under the voting exclusion in the Notice of Meeting.

**The Chairman intends to vote all available proxies (including undirected proxies) in favour of Resolution 6.**

## 4. Entitlement to vote

For the purpose of voting at the AGM, Shares in the Company will be taken to be held by the persons who are registered as shareholders in the Company at Close of Business (ACDST) on Tuesday 10 November 2015.

## 5. Voting in person

Please arrive at the venue 15 minutes before the start of the AGM so the Company may check shareholding against the Share Register and note attendances.

## 6. Voting by proxy

A proxy form accompanies this Notice. A shareholder who is entitled to vote at the AGM may appoint not more than two people as proxy to vote in the shareholder's place. The proxy need not be a shareholder. A shareholder that appoints two proxies may specify the proportion or number of votes each proxy may exercise, failing which each proxy may exercise half the shareholder's votes.

If the proxy chooses to vote, the proxy must vote in accordance with the directions on the proxy form. If a shareholder does not indicate on the proxy form the manner in which the proxy is to vote, the proxy may vote as he or she thinks fit.

To vote by proxy, the proxy form (together with the original or certified copy of any power of attorney or other authority under which the form is signed, if any) must be received at the Share Registrar no later than 10.30am (ACDST) on Tuesday 10 November 2015 via any of the following methods.

**Proxy Forms received after this time will not be valid for the purposes of the AGM.**

**Online:**

[www.investorvote.com.au](http://www.investorvote.com.au)

**By mobile:**

Scan the QR Code on your proxy form and follow the prompts

**By post:**

Computershare Investor Services Pty Ltd  
GPO Box 242  
Melbourne Victoria 3001

**By facsimile (within Australia):**

1800 783 447

**By facsimile (outside Australia):**

+61 3 9473 2555

**By hand:**

Computershare Investor Services Pty Ltd  
Level 5, 115 Grenfell Street  
Adelaide South Australia 5000

**For Intermediary Online subscribers only (custodians):**

Visit [www.intermediaryonline.com](http://www.intermediaryonline.com) to submit your voting intentions.

## 7. Voting by corporate representative

A body corporate shareholder may appoint an individual as a corporate representative to vote at the AGM. Corporate representatives must lodge a certificate of appointment with the Company and/or the Share Registrar before the AGM or at the registration desk on the day of the AGM. Certificates of appointment of corporate representatives are available on request by contacting the Share Registrar on 1300 655 248 (within Australia) or +61 3 9415 4887 (outside Australia).

## 8. Questions from shareholders

The Chairman will allow a reasonable opportunity for shareholders at the AGM:

- (a) to ask questions about the management and performance of the Company; and
- (b) to ask the auditor questions about the conduct of the audit, the preparation and content of the Auditor's Report, the accounting policies adopted by the Company in relation to the preparation of the financial statements and the independence of the auditors in relation to the conduct of the audit.

Shareholders may submit a written question to the auditors relevant to the content of the Auditor's Report or the conduct of the audit of the Annual Report by no later than 10.30am (ACDST) on Thursday 5 November 2015 via any of the following:

**By post:**

Attention: Company Secretary  
Level 10, 60 Waymouth Street, Adelaide  
South Australia 5000

**By facsimile (within Australia):**

08 8100 4997

**By facsimile (outside Australia):**

+61 8 8100 4997

**By email:**

[customerservice@cooperenergy.com.au](mailto:customerservice@cooperenergy.com.au)

## 9. Enquiries

Shareholders are invited to contact the Company Secretary, Ms Alison Evans on +61 8 8100 4900 or [customerservice@cooperenergy.com.au](mailto:customerservice@cooperenergy.com.au) if they have any queries in respect of the matters set out in these documents.

# Explanatory Notes

**These Explanatory Notes form part of this Notice of Meeting.**

## 1. Financial Statements and Reports

The Corporations Act requires the Company's Annual Report, Directors' Report (incorporating the Remuneration Report), and the Auditor's Report to be received and considered at the AGM. The Corporations Act does not require shareholders to vote on these Reports.

An electronic copy of the Company's Annual Report is available on the Company's website: <http://www.cooperenergy.com.au/investor-information/reports>. The 2015 Annual Report has also been sent by post to those shareholders who have previously elected to receive a hard copy.

## 2. Resolution 1 – Adoption of Remuneration Report

The Remuneration Report is set out on pages 36 to 49 of the 2015 Annual Report.

As required by the Corporations Act, the Board is presenting the Remuneration Report to shareholders for adoption. The vote on this Resolution is advisory only and does not bind the directors or the Company. However, the Board will take the outcome of the vote into consideration when reviewing the Company's remuneration practices and policies.

Shareholders should also note that if 25% or more of votes cast are against the adoption of the Remuneration Report at two consecutive AGMs, shareholders will be required to vote at the second of the consecutive AGMs on a resolution (spill resolution) to determine whether another meeting of shareholders (spill meeting) be held to consider the re-election of the directors (other than the Managing Director). If a spill resolution is passed, all directors (other than the Managing Director) will cease to hold office at the end of the spill meeting, unless re-elected at that meeting.

The Company received 96% of votes in favour of its Remuneration Report for the 2014 financial year. The Company received feedback regarding its remuneration practices at the 2014 AGM as the proposed amendments to the Company's long term incentive plan were not approved by shareholders. The Company has taken this feedback into account and made changes as noted in the Remuneration Report and the Explanatory Notes regarding Resolution 3 below.

***The Board recommends that shareholders vote in favour of adopting the Remuneration Report.***

***The Chairman intends to vote undirected proxies in favour of this Resolution.***

## 3. Resolution 2 – Re-election of Mr Jeffrey Schneider as a director

Mr Schneider will retire by rotation at the AGM in accordance with Rule 5.1 of the Constitution and, being eligible, offers himself for re-election.

Mr Schneider was appointed to the Board on 12 October 2011. He has over 35 years' experience in senior management roles in the oil and gas industry, including 24 years with Woodside Petroleum Limited. Biographical details for Mr Schneider, including relevant qualifications, skills and experience, other material directorships currently held and status as an independent non-executive director, are set out in the 2015 Annual Report.

In relation to his re-election, Mr Schneider states:

*"I believe my experience and knowledge of the oil and gas industry enables me to well serve the interests of Cooper Energy shareholders as a non-executive director. This has been gained over more than 35 years in the industry many of which have been in senior commercial or business roles with an emphasis on strategy development and execution, mergers and acquisitions, business development and marketing of hydrocarbons. This business experience is supported by extensive corporate governance experience at board level including roles as both executive and non-executive directors and chair/member of audit, remuneration and governance committees."*

***The Board supports the re-election of Mr Schneider as a director and (with Mr Schneider abstaining) recommends that shareholders vote in favour of this Resolution.***

***The Chairman intends to vote undirected proxies in favour of this Resolution.***

## 4. Resolution 3 – Approval of new Equity Incentive Plan

### 4.1 Background

Following feedback from shareholders at the Company's 2014 AGM, the Board conducted a comprehensive review of the Company's long term incentive plan including seeking independent advice. Following that review, the Company proposes to implement a new equity incentive plan (**New EIP**) to address shareholder feedback and better align the award of long term incentives with the Company's current strategy and objectives and current peer group market practice. For more detail regarding the differences between the New EIP and the Company's current plan please see the Remuneration Report in the 2015 Annual Report.

Listing Rule 7.1 restricts a company from issuing more than 15% of its issued capital in any 12 month period without the prior approval of holders of ordinary securities. Listing Rule 7.2 Exception 9(b) provides that securities issued under an employee

incentive scheme will not be counted in the 15% if within 3 years before the issue date, the holders of ordinary securities approved the issue of securities under the scheme as an exception to Listing Rule 7.1.

Accordingly, shareholder approval is sought in Resolution 3 for the issue of securities under the New EIP during the 3 year period after this AGM as an exception to Listing Rule 7.1. This will provide the Board flexibility in continuing to manage its capital requirements efficiently by ensuring that the Company has the capacity to issue equity to pursue Company objectives, and the 15% limit is not reduced by issues under the New EIP.

#### 4.2 Key terms of the New EIP

A summary of the key terms of the New EIP is set out below. A full copy of the New EIP terms may be requested from the Company Secretary.

The Board may grant Eligible Participants awards in the form of performance rights, share appreciation rights (SARs), options or a combination of all or some of those. The Board may invite Eligible Participants to participate in a grant of awards on such terms as it determines. For example, the Board may determine that the vesting of the awards is subject to performance and/or service conditions and may determine that a trading restriction applies to any Shares allocated on vesting or exercise of performance rights, SARs or options granted under the plan. The key terms of the Invitations that will be made by the Board to Eligible Participants in 2015 are set out in Section 5.2 below.

In general, where a participant ceases employment with the Company before an award has vested, the award will lapse however, the Board has discretion to determine otherwise. In the case of a "good leaver" the Board may determine that any unvested awards vest on a pro rata basis to the extent that any performance and/or service condition has been satisfied.

In the event of a take-over or change in control, any unvested awards vest on a pro-rata basis to the extent that performance and/or service conditions have been satisfied, unless otherwise determined by the Board.

In the event of fraud or dishonesty, awards will be forfeited.

The Company may issue new Shares or acquire Shares on market for allocation to participants on exercise of awards under the New EIP.

The maximum number of incentives that may be granted must not when aggregated with all other incentives on issue, if exercised and Shares issued exceed 5% of the total issued capital of the Company at the time of the grant of the incentives. The 5% limit does not count unregulated offers, such as offers that do not need disclosure

because of section 708 of the Corporations Act (which includes offers to the Managing Director and senior executives).

#### 4.3 Securities issued under the New EIP since date of last shareholder approval

Being a new plan, no securities have been issued under the New EIP.

***The Board recommends that shareholders vote in favour of this Resolution.***

***The Chairman intends to vote undirected proxies in favour of this Resolution.***

### 5. Resolutions 4 and 5 – Issue of rights to Mr David Maxwell, Managing Director, and Mr Hector Gordon, Executive Director Exploration and Production

#### 5.1 Background

The Board considers that its senior executives should be remunerated in a manner that encourages them to become shareholders as this is the best mechanism to align their interests with those of the Company's shareholders. It is the Company's policy that the performance based (or at risk) pay of senior executives forms a significant portion of their total remuneration. Granting incentives under a long term incentive plan seeks to encourage and reward long-term sustainable performance.

Listing Rule 10.14 provides that a company must not permit a director to acquire securities under an employee incentive scheme without the prior approval of holders of ordinary securities.

Under Resolutions 4 and 5, shareholder approval is sought for the issue of performance rights and share appreciation rights (**Incentives**) to Mr Maxwell and Mr Gordon (**Executive Directors**). Subject to shareholder approval, the Incentives will be issued in accordance with an invitation made by the Board (**Invitation**) pursuant to the terms of the proposed New EIP the subject of Resolution 3.

#### 5.2 Invitations under New EIP

##### (a) Type of Incentives

Incentives will be granted in two equal tranches as follows:

| Tranche | Percentage           | Type of Incentive                |
|---------|----------------------|----------------------------------|
| 1       | 50% of maximum award | Performance Rights               |
| 2       | 50% of maximum award | Share Appreciation Rights (SARs) |

A Performance Right will entitle the Executive Director one ordinary share in the Company (ranking equally with other ordinary Shares on issue) (**Share**) if that Performance Right vests. No consideration is payable on the issue or vesting of the Performance Right.

# Explanatory Notes

A SAR will entitle the Executive Director to an amount equal to the increase in value of a Share over the relevant performance period, settled in Shares (or cash at the discretion of the Board) if that SAR vests. No consideration is payable on the grant or vesting of the SAR.

## (b) Number of Incentives

The number of Incentives to be granted to the Executive Directors will be calculated by reference to their organisational level benchmarks (OLB) determined by the Board. The Executive Directors' OLBs are a percentage of fixed annual remuneration (inclusive of superannuation) (FAR) as follows:

- i. for the Managing Director, Mr Maxwell – 120% of FAR;
- ii. for the Executive Director, Mr Gordon – 95% of FAR;

The number of Incentives to be offered to the Executive Directors is calculated by dividing their respective OLB by:

- i. for the Tranche 1 Performance Rights – the Market Value of a Share on 28 September 2015. The Market Value of a Share on a day is determined as, in summary, the volume weighted average price of Shares over the 20 trading days ending on that day (or if that day is not a trading day, on the next trading day after that day); and
- ii. for the Tranche 2 SARs – the fair value of the SARs on 28 September 2015. The fair value is determined using a Black Scholes valuation model, based on a range of input assumptions (including volatility, performance period, time to vest, share price at grant etc but excluding the probability of vesting based on performance hurdles).

## (c) Grant Date

The grant date is the date on which the Incentives are granted. If shareholder approval is obtained, the Board intends that the Incentives will be granted shortly after the AGM and in any event no later than 12 months after the date of the AGM.

## (d) Performance Period

The Incentives are subject to performance conditions that must be met for the Incentives to vest (**Vesting Criteria**). The period over which the Vesting Criteria will be measured is 3 years from the grant date, subject to a retest in accordance with section 5.2(f) below (**Performance Period**).

## (e) Vesting Criteria

The Company's relative total shareholder return (RTSR) performance over the Performance Period will be assessed against 12 peer companies. The Vesting Criteria is challenging and the maximum award opportunities are only achieved by outstanding performance. No Incentives will vest if performance is below medium level and less than half (30%) of the Incentives will vest if at the 50th percentile. Incentives may vest in accordance with the Vesting Criteria set out below:

| RTSR percentile ranking         | Percentage of Incentives to vest  |
|---------------------------------|-----------------------------------|
| Lower than 50th percentile      | No Incentives                     |
| 50th percentile                 | 30% of Incentives                 |
| Between 51st to 89th percentile | Pro rata percentage of Incentives |
| 90th percentile or greater      | 100% of Incentives                |

## (f) Testing and Retest

Incentives will be tested against the Vesting Criteria on the earliest date reasonably practicable after the end of the Performance Period.

Incentives not achieved on or after the first 3 year performance period can be retested against the Vesting Criteria over a period of 4 years from the grant date. Incentives which have not vested after the retest will lapse.

## 5.3 Information for the purposes of Listing Rule 10.15

For the purposes of Listing Rule 10.15, the following further information is provided:

- (a) No securities have been issued under the New EIP to date.
- (b) The persons entitled to participate in the New EIP for the purposes of Listing Rule 10.14 are Mr Maxwell and Mr Gordon; and
- (c) Neither the Directors nor the Company are aware of any other information that would be reasonably required by shareholders to make a decision as to whether it is in the Company's best interests to pass Resolutions 4 and 5.

***The Board (with Mr Maxwell abstaining) recommends that shareholders vote in favour of Resolution 4.***

***The Board (with Mr Gordon abstaining) recommends that shareholders vote in favour of Resolution 5.***

***The Chairman intends to vote undirected proxies in favour of Resolutions 4 and 5.***

## 6. Resolution 6 – Approval 10% Placement Facility

### 6.1 General Comments

Listing Rule 7.1A enables eligible entities to issue Equity Securities (as defined in the Listing Rules) up to 10% of its issued share capital through placements over a 12 month period after the AGM (**10% Placement Facility**). The 10% Placement Facility is in addition to the Company's 15% placement capacity under Listing Rule 7.1.

The 10% Placement Facility will provide the Board flexibility to continue to manage its capital requirements efficiently by ensuring that the Company has the capacity to issue equity to pursue Company objectives should the opportunity arise in the 12 months following the AGM.

An eligible entity for the purposes of Listing Rule 7.1A is an entity that is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300 million or less. The Company is an eligible entity.

If shareholders approve Resolution 6, the exact number of Equity Securities to be issued under the 10% Placement Facility will be determined in accordance with the formula prescribed in Listing Rule 7.1A.2 (refer to Section 6.2(c) below).

### 6.2 Explanation of Listing Rule 7.1A

#### (a) Shareholder approval

The ability to issue Equity Securities under the 10% Placement Facility is subject to shareholder approval by way of a special resolution at an AGM. It therefore requires approval of 75% of the votes cast by shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate shareholder, by a corporate representative).

#### (b) Equity Securities

Any Equity Securities issued under the 10% Placement Facility must be in the same class as an existing quoted class of Equity Securities of the Company, that is, ordinary fully paid Shares in the Company.

#### (c) Formula for calculating 10% Placement Facility

Listing Rule 7.1A.2 provides that an eligible entity which has obtained shareholder approval at an AGM may issue or agree to issue, during the 12 month period after the date of the AGM, a number of Equity Securities calculated in accordance with the following formula:

$$(A \times D) - E$$

**A** is the number of fully paid ordinary Shares on issue 12 months before the issue date or date of agreement to issue:

(A) plus the number of fully paid ordinary Shares issued in the 12 months under an exception in Listing Rule 7.2;

(B) plus the number of partly paid ordinary Shares that became fully paid in the 12 months;

(C) plus the number of fully paid ordinary Shares issued in the 12 months with approval of holders of ordinary Shares under Listing Rule 7.1 or Listing Rule 7.4. This does not include an issue of fully paid Shares under the entity's 15% placement capacity without shareholder approval;

(D) less the number of fully paid ordinary Shares cancelled in the 12 months.

**D** is 10%.

**E** is the number of Equity Securities issued or agreed to be issued under Listing Rule 7.1A.2 in the 12 months before the date of the issue or agreement to issue that are not issued with the approval of holders of ordinary Shares under Listing Rule 7.1 or Listing Rule 7.4.

#### (d) Listing Rule 7.1 and Listing Rule 7.1A

The ability of an entity to issue Equity Securities under Listing Rule 7.1 A is in addition to the entity's 15% placement capacity under Listing Rule 7.1.

At the date of this Notice of Meeting, the Company has on issue 332,085,876 Shares and therefore has a capacity to issue:

(i) 49,812,881 Equity Securities under Listing Rule 7.1; and

(ii) 33,208,587 Equity Securities under Listing Rule 7.1A subject to shareholder approval being obtained under Resolution 6.

The actual number of Equity Securities that the Company will have capacity to issue under Listing Rule 7.1A will be calculated at the date of issue of the Equity Securities in accordance with the formula prescribed in Listing Rule 7.1A.2 (refer to Section 6.2(c) above).

# Explanatory Notes

## (e) Minimum Issue Price

The issue price of Equity Securities issued under Listing Rule 7.1A must be no less than a specified minimum price – refer Section 6.4(a) for further information.

## (f) 10% Placement Period

Shareholder approval of the 10% Placement Facility under Listing Rule 7.1A is valid from the date of the AGM at which the approval is obtained and expires on the earlier to occur of:

- (i) the date that is 12 months after the date of the AGM at which the approval is obtained; and
- (ii) the date of the approval by shareholders of a transaction under Listing Rule 11.1.2 (a significant change to the nature or scale of activities) or Listing Rule 11.2 (disposal of main undertaking),

or such longer period if allowed by ASX.

## 6.3 Specific information required by Listing Rule 7.3A

The effect of Resolution 6 will be to allow the Directors to issue the Equity Securities under Listing Rule 7.1A during the 10% Placement Period without using the Company's 15% placement capacity under Listing Rule 7.1.

## 6.4 Specific information required by Listing Rule 7.3A

Pursuant to and in accordance with Listing Rule 7.3A, information is provided in relation to the approval of the 10% Placement Facility as follows:

- (a) The Equity Securities will be issued at an issue price of not less than 75% of the volume weighted average price (VWAP) for the Company's Equity Securities in the same class calculated over the 15 trading days immediately before:
  - (i) the date on which the price at which the Equity Securities are to be issued is agreed; or
  - (ii) if the Equity Securities are not issued within 5 trading days of the date in paragraph (i) above, the date on which the Equity Securities are issued.
- (b) If Resolution 6 is approved by shareholders and the Company issues Equity Securities under the 10% Placement Facility, the existing shareholders' voting power in the Company will be diluted as shown in the table below. Shareholders may be exposed to economic risk and voting dilution, including the following:
  - (i) the market price for the Company's Equity Securities in that class may be significantly lower on the date of the issue of the Equity Securities than on the date of the AGM; and

- (ii) the Equity Securities may be issued at a price that is at a discount to the market price for those Equity Securities on the issue date.

The table on page 11 shows the potential dilution of existing holders of Shares on the basis of the current market price of Shares and the current number of Shares for variable "A" calculated in accordance with the formula in Listing Rule 7.1A.2 as at the date of this Notice of Meeting.

The table also shows the voting dilution impact where the number of Shares on issue (Variable 'A' in the formula) changes and the economic dilution where there are changes in the issue price of Shares issued under the 10% Placement Facility.

The Listing Rules require that an example be provided assuming that the number of Shares on issue has increased by 100%. The number of Shares on issue may increase as a result of issues of Shares that do not require shareholder approval (e.g. a pro rata entitlement issue or a placement that is approved under Listing Rule 7.1 at a future shareholders' meeting). However, the Board considers an increase of 100% during the 12 months following the AGM highly unlikely.

The Listing Rules also require that an example be provided assuming that the price of Shares has fallen by at least 50%.

The table has been prepared on the following assumptions:

- (i) The Company issues the maximum number of Equity Securities available under the 10% Placement Facility.
- (ii) No options or performance rights are exercised into Shares before the date of the issue of the Equity Securities.
- (iii) The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.
- (iv) The table does not show an example of dilution that may be caused to a particular shareholder by reason of placements under the 10% Placement Facility, based on that shareholder's holding at the date of the AGM.
- (v) The table shows only the effect of issues of Equity Securities under Listing Rule 7.1A, not under the 15% placement capacity under Listing Rule 7.1.
- (vi) The issue of Equity Securities under the 10% Placement Facility consists only of Shares.
- (vii) The issue price is \$0.17, being the closing price of the Shares on ASX on 29 September 2015.

| Share Capital                                                        |                            | Dilution                                  |                       |                                           |
|----------------------------------------------------------------------|----------------------------|-------------------------------------------|-----------------------|-------------------------------------------|
| Variable 'A' in Listing Rule 7.1A.2<br>(refer Section 6.2(c))        |                            |                                           |                       |                                           |
|                                                                      |                            | \$0.085<br>50% decrease in<br>Issue Price | \$0.17<br>Issue Price | \$0.255<br>50% increase in<br>Issue Price |
| <b>Current Variable A</b><br>332,085,876 Shares                      | <b>10% Voting Dilution</b> | 33,208,587 Shares                         | 33,208,587 Shares     | 33,208,587 Shares                         |
|                                                                      | <b>Funds raised</b>        | \$2,822,729                               | \$5,645,459           | \$8,468,189                               |
| <b>25% increase<br/>in current Variable A</b><br>415,107,345 Shares  | <b>10% Voting Dilution</b> | 41,510,734 Shares                         | 41,510,734 Shares     | 41,510,734 Shares                         |
|                                                                      | <b>Funds raised</b>        | \$3,528,412                               | \$7,056,824           | 10,585,237                                |
| <b>100% increase<br/>in current Variable A</b><br>664,171,752 Shares | <b>10% Voting Dilution</b> | 66,417,175 Shares                         | 66,417,175 Shares     | 66,417,175 Shares                         |
|                                                                      | <b>Funds raised</b>        | \$5,645,459                               | \$11,290,919          | \$16,936,379                              |

(c) The Company will only issue the Equity Securities during the 10% placement period (refer Section 6.2(f) above). The approval under Resolution 6 for the issue of the Equity Securities will cease to be valid in the event that shareholders approve a transaction under Listing Rule 11.1.2 (a significant change to the nature or scale of activities) or Listing Rule 11.2 (disposal of main undertaking).

(d) The Company may issue the Equity Securities for the following purposes:

- (i) as non-cash consideration for the acquisition of new assets and investments. In such circumstances the Company will provide a valuation of the non-cash consideration as required by Listing Rule 7.1A.3; or
- (ii) cash consideration. In such circumstances, the Company intends to use the funds raised towards the growth of its core business and may include funding of its Gippsland projects (see page 16 of the Company's 2015 Annual Report for a description of the Gippsland Basin projects), the acquisition of new assets and investments and/or general working capital.

The Company will comply with the disclosure obligations under Listing Rule 7.1A.4 and Listing Rule 3.10.5A upon issue of any Equity Securities.

(e) The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue pursuant to the 10% Placement Facility. The identity of the persons to whom the Company will issue Equity Securities will be determined on a case-by-case basis having regard to the factors including but not limited to the following:

- (i) the methods of raising funds that are available to the Company, including but not limited to, rights issue or other issue in which existing shareholders can participate;
- (ii) the effect of the issue of the Equity Securities on the control of the Company;
- (iii) the financial situation of the Company; and
- (iv) advice from corporate, financial and broking advisers (if applicable).

The persons to whom the Company will issue Equity Securities under the 10% Placement Facility have not been determined as at the date of this Notice of Meeting but may include existing substantial shareholders and/or new shareholders who are not related parties or associates of a related party of the Company.

If the Company is successful in pursuing potential acquisitions of new assets, the recipient(s) of the 10% Placement Facility may be the vendor(s) of the new assets.

(f) The Company has not previously obtained shareholder approval under Listing Rule 7.1A.

(g) A voting exclusion statement is included in the Notice of Meeting. At the date of this Notice of Meeting, the Company has not approached any particular existing shareholder or identifiable class of existing shareholder to participate in the issue of the Equity Securities. No existing shareholder's votes will therefore be excluded under the voting exclusion in the Notice of Meeting.

***The Board recommends that shareholders vote in favour of this Resolution.***

***The Chairman intends to vote undirected proxies in favour of this Resolution.***

## In this document:

**ACDST** means Australian Central Daylight Saving Time.

**AGM** means annual general meeting.

**Annual Report** means the Company's annual report for the year ended 30 June 2015 containing the Financial Report, the Directors' Report and the Audit Report.

**Associate** has the meaning given to it by Division 2 of Part 1.2 of the Corporations Act.

**ASX** means ASX Limited (ACN 008 624 691).

**ASX Listing Rules or Listing Rules** means the Listing Rules of ASX.

**Auditor's Report** means the auditor's report on the Financial Report.

**Board** means the Company's board of directors.

**Chairman** means the chairman of the AGM and chairman of the Board.

**Closely Related Party of a member of the Key Management Personnel** means:

- a spouse or child of the member;
- a child of the member's spouse;
- a dependent of the member or the member's spouse;
- anyone else who is one of the member's family and may be expected to influence the member or be influenced by the member, in the member's dealing with the entity;
- a company the member controls; or
- a person prescribed by the Corporations Regulations 2001 (Cth).

**Company** means Cooper Energy Limited (ABN 93 096 170 295).

**Constitution** means the Company's constitution, as amended from time-to-time.

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

**Directors** means the directors of the Company.

**Directors' Report** means the annual directors' report prepared under Chapter 2M of the Corporations Act for the Company and its controlled entities.

**Explanatory Memorandum** means the explanatory memorandum which accompanies and forms part of the Notice of Meeting.

**FAR** means fixed annual remuneration (including superannuation).

**Financial Report** means the annual financial report prepared under Chapter 2M of the Corporations Act of the Company and its controlled entities.

**Key Management Personnel** has the same meaning as in the accounting standards and broadly includes those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any director (whether executive or otherwise) of the Company.

**New EIP** means the equity incentive plan shareholders are being asked to approve in Resolution 3.

**Notice or Notice of Meeting** means this notice of annual general meeting.

**OLB** means organisational level benchmark.

**Proxy Form** means the proxy form attached to the Notice of Meeting.

**Resolution** means a resolution referred to in the Notice of Meeting.

**RTSR** means relative total shareholder return.

**SAR** means a share appreciation right.

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

**shareholder** means a registered holder of a Share.

**Share Registry** means Computershare Investor Services Pty Ltd (ACN 078 279 277).

**Trading Day** means a day determined by ASX to be a trading day in accordance with the Listing Rules.

**VWAP** means volume weighted average price.

### Lodge your vote:



**Online:**  
[www.investorvote.com.au](http://www.investorvote.com.au)



**By Mail:**  
Computershare Investor Services Pty Limited  
GPO Box 242 Melbourne  
Victoria 3001 Australia

Alternatively you can fax your form to  
(within Australia) 1800 783 447  
(outside Australia) +61 3 9473 2555

For Intermediary Online subscribers only  
(custodians) [www.intermediaryonline.com](http://www.intermediaryonline.com)

**For all enquiries call:**  
(within Australia) 1300 655 248  
(outside Australia) +61 3 9415 4887

## Proxy Form

XX

|                                                                                                                                                                     |                                                                                                                                                                                                                                                                                                    |                                                                                      |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------|
|   | <p><b>Vote and view the annual report online</b></p> <ul style="list-style-type: none"> <li>• Go to <a href="http://www.investorvote.com.au">www.investorvote.com.au</a> or scan the QR Code with your mobile device.</li> <li>• Follow the instructions on the secure website to vote.</li> </ul> |  |
| <p><b>Your access information that you will need to vote:</b></p> <p>PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.</p> |                                                                                                                                                                                                                                                                                                    |                                                                                      |

 **For your vote to be effective it must be received by 10:30am (ACDST) Tuesday 10 November 2015**

### How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

#### Appointment of Proxy

**Voting 100% of your holding:** Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote or abstain as they choose (to the extent permitted by law). If you mark more than one box on an item your vote will be invalid on that item.

**Voting a portion of your holding:** Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

**Appointing a second proxy:** You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

**A proxy need not be a securityholder of the Company.**

### Signing Instructions for Postal Forms

**Individual:** Where the holding is in one name, the securityholder must sign.

**Joint Holding:** Where the holding is in more than one name, all of the securityholders should sign.

**Power of Attorney:** If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

**Companies:** Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held. Delete titles as applicable.

### Attending the Meeting

Bring this form to assist registration. If a representative of a corporate securityholder or proxy is to attend the meeting you will need to provide the appropriate "Certificate of Appointment of Corporate Representative" prior to admission. A form of the certificate may be obtained from Computershare or online at [www.investorcentre.com](http://www.investorcentre.com) under the help tab, "Printable Forms".

**Comments & Questions:** If you have any comments or questions for the company, please write them on a separate sheet of paper and return with this form.

**GO ONLINE TO VOTE,  
or turn over to complete the form →**

☐ **Change of address.** If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.

## Proxy Form

Please mark ☒ to indicate your directions

### STEP 1 Appoint a Proxy to Vote on Your Behalf

XX

I/We being a member/s of Cooper Energy Limited hereby appoint

☐ the Chairman of the Meeting **OR**

**PLEASE NOTE:** Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the Meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the Annual General Meeting of Cooper Energy Limited to be held at the PwC Building, Level 11, 70 Franklin Street, Adelaide, South Australia on Thursday, 12 November 2015 at 10:30am (ACDST) and at any adjournment or postponement of that Meeting.

**Chairman authorised to exercise undirected proxies on remuneration related resolutions:** Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on **Items 1, 3, 4 & 5** (except where I/we have indicated a different voting intention below) even though **Items 1, 3, 4 & 5** are connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chairman.

**Important Note:** If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on **Items 1, 3, 4 & 5** by marking the appropriate box in step 2 below.

### STEP 2 Items of Business

**PLEASE NOTE:** If you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

|                                                           | For                      | Against                  | Abstain                  |
|-----------------------------------------------------------|--------------------------|--------------------------|--------------------------|
| 1 Adoption of Remuneration Report                         | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 2 Re-election of Mr Jeffrey Schneider as a Director       | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 3 Approval of new Equity Incentive Plan                   | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 4 Issue of rights to Mr David Maxwell, Managing Director  | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 5 Issue of rights to Mr Hector Gordon, Executive Director | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 6 Approval of 10% Placement Facility                      | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business. In exceptional circumstances, the Chairman of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

### SIGN

**Signature of Securityholder(s)** *This section must be completed.*

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

Contact  
Name

\_\_\_\_\_

Contact  
Daytime  
Telephone

\_\_\_\_\_

Date / /