



**EMPIRE ENERGY GROUP LIMITED**  
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Sydney NSW 2000  
T: 02 9251 1846  
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(ASX: EEG)

27 April 2018

Company Announcements Office  
Australian Securities Exchange Limited  
20 Bridge Street  
Sydney, NSW 2000

**ANNUAL GENERAL MEETING**

Dear Sirs

Please be advised that the Annual General Meeting of Empire Energy Group Limited will be held at the office of Nexia Australia, Level 16, 1 Market Street, Sydney on Thursday, 31 May 2018 at 11.30am.

A copy of the Notice of Annual General Meeting together with an Explanatory Statement and proxy form as despatched to shareholders is attached.

In addition, we confirm that the 2017 Annual Report of the Company comprises only those documents previously provided to the ASX.

Yours faithfully

A handwritten signature in blue ink, appearing to read 'Lisa Dadswell'.

Lisa Dadswell  
Company Secretary



# **NOTICE OF ANNUAL GENERAL MEETING**

*An Annual General Meeting of  
Empire Energy Group Limited  
ABN 29 002 148 361  
will be held at  
Level 16, 1 Market Street,  
Sydney NSW 2000  
On Thursday, 31 May 2018 at 11.30am*

## **IMPORTANT INFORMATION**

This document is important. Please read it carefully  
and if you require assistance, consult your legal or  
financial adviser.

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# NOTICE OF ANNUAL GENERAL MEETING

## EMPIRE ENERGY GROUP LIMITED

Notice is hereby given that an Annual General Meeting of the members of Empire Energy Group Limited ABN 29 002 148 361 ("**Company**") will be held at the offices of Nexia Australia, at the time and date listed below to consider and vote on the resolutions specified in this notice.

**Time and date of meeting:** 11.30am on Thursday, 31 May 2018  
**Place of meeting:** Level 16, 1 Market Street, Sydney NSW

The business to be considered at the Annual General Meeting is set out below.

This Notice of Meeting should be read in its entirety in conjunction with the accompanying Explanatory Statement, which contains information in relation to the following resolutions. If you are in any doubt as to how you should vote on the proposals set out in this Notice of Meeting, you should consult your financial or other professional adviser.

### AGENDA

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#### 1. ORDINARY BUSINESS

##### 1.1 Resolution 1: Adoption of remuneration report

To consider and, if thought fit, to pass with or without amendment the following resolution as a non-binding resolution:

*"That, for the purposes of section 250R(2) of the Corporations Act 2001 (Cth) and for all other purposes, approval is given for the adoption of the remuneration report as contained in the Company's annual financial report for the financial year ended 31 December 2017."*

The vote on Resolution 1 is advisory only and does not bind the directors of the Company.

**Note:** The remuneration report, which forms part of the directors' report is set out in the Company's 2017 annual report.

##### **Voting exclusion statement**

A vote on Resolution 1 must not be cast (in any capacity) by or on behalf of any of the following persons:

- (a) any member of the key management personnel, details of whose remuneration are included in the remuneration report (**Key Management Personnel**);
- (b) a member of the Key Management Personnel at the date of the meeting acting as proxy; and
- (c) a closely related party of Key Management Personnel.

However, a person described in paragraph (a), (b) or (c) above may cast a vote on the Resolution 1 if:

- (a) the vote is cast by such person as proxy for a person who is permitted to vote, in accordance with an express direction specified on the proxy form; or

- (b) the vote is cast by the Chair of the Meeting as proxy for a person who is permitted to vote, either in accordance with an express direction specified on the proxy form to vote or as the proxy decides even though the Resolution is connected directly or indirectly with the remuneration of a member of the KMP of the Company.

If the Chair of the Meeting is appointed as a proxy for a person who is permitted to vote on Resolution 1, the Chair will vote any proxies which do not indicate on their proxy form the way the Chair must vote, in favour of Resolution 1.

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## **1.2 Resolution 2: Re-election of Mr D Sutton as a director**

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

*"That David Sutton, having retired from office as a director of the Company in accordance with ASX Listing Rule 14.5 and Article 50.1 of the Company's constitution and, being eligible, offers himself for re-election, be re-elected as a Director of the Company."*

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## **1.3 Resolution 3: Re-election of Ms L Tang as a director**

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

*"That Lin Tang, having retired from office as a director of the Company in accordance with ASX Listing Rule 14.4 and Article 48.2 of the Company's constitution and, being eligible, offers herself for re-election, be re-elected as a Director of the Company."*

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## **1.4 Resolution 4: Ratify issue of securities**

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

*"That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders approve and ratify the past issue of 2,000,000 fully paid ordinary shares to sophisticated and/or professional investors on the terms and conditions set out in the Explanatory Statement."*

### **Voting exclusion statement**

The Company will disregard any votes cast in favour of Resolution 4 by any person who participated in the issue and any of their Associates.

However, the Company need not disregard a vote if:

- (a) 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
  - (b) 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.
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## **1.5 Resolution 5: Ratify issue of securities**

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

*"That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders approve and ratify the past issue of 4,500,000 fully paid ordinary shares to an employee of the Company on the terms and conditions set out in the Explanatory Statement."*

### **Voting exclusion statement**

The Company will disregard any votes cast in favour of Resolution 5 by any person who participated in the issue and any of their Associates.

However, the Company need not disregard a vote if:

- (a) 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
  - (b) 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.
- 

## **1.6 Resolution 6: Ratify issue of securities**

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

*"That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders approve and ratify the past issue of 3,000,000 unlisted options to an employee of the Company on the terms and conditions set out in the Explanatory Statement."*

### **Voting exclusion statement**

The Company will disregard any votes cast in favour of Resolution 6 by any person who participated in the issue and any of their Associates.

However, the Company need not disregard a vote if:

- (a) 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
  - (b) 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.
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## **2. SPECIAL BUSINESS**

### **2.1 Resolution 7: Approve the participation of Mr B W McLeod in the Employee Share Option Plan**

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

*"That, for the purposes of ASX Listing Rule 10.14 and for all other purposes, approval is given for the Company to grant 6,000,000 options to Mr Bruce W McLeod, a director of the Company, on the terms outlined in the Explanatory Statement accompanying this notice, subject to the terms and conditions of the Empire Energy Group Limited Employee Share Option Plan 2017."*

**Voting exclusion statement**

The Company will disregard any votes cast on Resolution 7 by any Directors of the Company and any Associates of those Directors, except one who is ineligible to participate in any employee incentive scheme in relation to the Company.

However, the Company need not disregard a vote if:

- (a) 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
- (b) it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form to vote as the proxy decides.

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**2.2 Resolution 8: Approve the participation of Mr D Sutton in the Employee Share Option Plan**

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

*"That, for the purposes of ASX Listing Rule 10.14 and for all other purposes, approval is given for the Company to grant 2,000,000 options to Mr David Sutton, a non-executive director of the Company, on the terms outlined in the Explanatory Statement accompanying this notice, subject to the terms and conditions of the Empire Energy Group Limited Employee Share Option Plan 2017."*

**Voting exclusion statement**

The Company will disregard any votes cast on Resolution 8 by any Directors of the Company and any Associates of those Directors, except one who is ineligible to participate in any employee incentive scheme in relation to the Company.

However, the Company need not disregard a vote if:

- (a) 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
- (b) it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form to vote as the proxy decides.

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**2.3 Resolution 9: Approve the participation of Ms L Tang in the Employee Share Option Plan**

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

*"That, for the purposes of ASX Listing Rule 10.14 and for all other purposes, approval is given for the Company to grant 2,000,000 options to Ms Linda Tang, a non-executive director of the Company, on the terms outlined in the Explanatory Statement accompanying this notice, subject to the terms and conditions of the Empire Energy Group Limited Employee Share Option Plan 2017."*

**Voting exclusion statement**

The Company will disregard any votes cast on Resolution 9 by any Directors of the Company and any Associates of those Directors, except one who is ineligible to participate in any employee incentive scheme in relation to the Company.

However, the Company need not disregard a vote if:

- (a) 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
- (b) it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form to vote as the proxy decides.

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## **2.4 Resolution 10: Approval of 10% Placement Facility**

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

*"That for the purposes of ASX Listing Rule 7.1A and for all other purposes, approval is given for the Company to allot and issue Equity Securities totalling up to 10% of the issued capital of the Company (at the time of issue) calculated in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 and as set out in the Explanatory Statement accompanying this Notice."*

### **Voting exclusion statement**

The Company will disregard any votes cast on Resolution 10 by a person, or an Associate of that person, who may participate in the 10% placement facility and any person who might obtain a benefit if this Resolution is passed, or an Associate of a person who may obtain a benefit, except a benefit solely in the capacity of a holder of shares.

However, the Company need not disregard a vote if:

- (a) 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
- (b) it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form to vote as the proxy decides.

In accordance with ASX Listing Rule 14.11.1 and the relevant note under that rule concerning ASX Listing Rule 7.1A, as at the date of this Notice of Meeting it is not known who may participate in the issue of Equity Securities (if any). On that basis, no security holders are currently excluded from voting.

Resolution 10 is a special resolution and 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).

## **3. OTHER BUSINESS**

To transact any other business that might be legally brought before the Annual General Meeting.

**By Order of the Board of Directors**



**L Dadswell**  
**Secretary**

**DATED 27 APRIL 2018**

This Notice of Meeting is accompanied by an explanatory statement to Shareholders which explains the purpose of the Annual General Meeting and the resolutions to be considered at that meeting.

### **Voting Eligibility**

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Annual General Meeting are those who are registered Shareholders as at 7.00pm (Sydney time) on 29 May 2018.

### **How to Vote**

You may vote by attending the meeting in person, by proxy or corporate representative.

### **Voting in Person**

To vote in person, attend the Annual General Meeting on the date and place as set out in this Notice of Meeting.

### **Voting by Proxy**

To vote by proxy, please complete and sign the Proxy Form enclosed with this Notice of Meeting, so that it is received no later than 11.30am (Sydney time) on 29 May 2018, being 48 hours prior to the meeting. Proxy forms received later than this time will be invalid.

|             |                                  |          |                        |
|-------------|----------------------------------|----------|------------------------|
| Hand        | Computershare Investor           | Postal   | Computershare Investor |
| deliveries: | Services Pty Limited             | address: | Services Pty Limited   |
|             | Yarra Falls, 452 Johnston Street |          | GPO Box 242,           |
|             | Abbotsford VIC 3067              |          | Melbourne VIC 3001     |

Alternatively, you can fax your proxy form so that it is received no later than 11:30am (Sydney time) on 29 May 2018 on the fax number listed below.

Fax Number: 1800 783 447 (within Australia) or +61 3 9473 2555 (outside Australia)

### **Your Proxy Form is Enclosed**

This is an important document. Please read it carefully. If you are unable to attend the Annual General Meeting please complete the enclosed Proxy Form and return it in accordance with the instructions set out on that form.

### **Votes of Members**

On a show of hands, each Shareholder present in person or by proxy (or, in the case of a body corporate, by a representative) at the Annual General Meeting shall have one vote.

On a poll, every member present in person or by attorney or by proxy (or, in the case of a body corporate, by a representative) at the Annual General Meeting shall have one vote for each share held provided that all shares are fully paid.

## **EXPLANATORY STATEMENT**

This Explanatory Statement has been prepared for shareholders of Empire Energy Group Limited ("**Company**") in connection with the business to be transacted at the Annual General Meeting to be held at 11.30am on Thursday 31 May 2018 at Level 16, 1 Market Street, Sydney and contains explanatory and other information for Shareholders in relation to the resolutions set out in the attached Notice of Meeting.

**The Directors recommend that Shareholders read this Explanatory Statement in full before making any decision in relation to the proposed resolutions.**

The Directors recommend that Shareholders vote in favour of Resolutions 4, 5, 6 and 10 and intend to cast all votes controlled by them and any undirected proxies they hold in favour of the Resolutions.

The Directors other than Mr Sutton recommend that non-Associated Shareholders vote in favour of Resolution 2.

The Directors other than Ms Tang recommend that non-Associated Shareholders vote in favour of Resolution 3.

As all the Directors are eligible to participate in the Employee Share Option Plan, the Directors do not make any recommendation in connection with the grant of options under that plan in Resolutions 7, 8 and 9.

If you are in doubt about what to do in relation to the resolutions, you should consult your financial or other professional adviser.

### **Resolutions**

None of the resolutions are inter-conditional. Accordingly, if Shareholders do not approve one of the Resolutions, other Resolutions may still be approved by Shareholders.

Resolutions 1 to 9 are ordinary resolutions, which require a simple majority of votes cast (in person, by proxy or, in the case of a body corporate Shareholder, by corporate representative) by Shareholders entitled to vote on the Resolution.

Resolution 10 is a special resolution, which requires approval by at least 75% of votes cast (in person, by proxy or, in the case of a body corporate Shareholder, by corporate representative) by Shareholders entitled to vote on the Resolution.

### **Financial Statements**

The financial report, Directors' report and auditor's report for the Company for the financial year ended 31 December 2017 will be laid before the Annual General Meeting.

There is no requirement for Shareholders to approve these reports.

The Annual General Meeting provides a forum for Shareholders to ask questions and make comments on the Company's reports and accounts and on the management, business and operations of the Company.

In addition, Shareholders will be allowed a reasonable opportunity at the Annual General Meeting to ask questions of the auditor (or the auditor's representative) relevant to:

- the conduct of the audit;
- the content of the auditor's report;
- the accounting policies adopted by the Company for the preparation of the financial statements; and
- the auditor's independence in relation to the above items.

Shareholders may view the Company's annual financial report on the Company's website [www.empireenergygroup.net](http://www.empireenergygroup.net).

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

Pursuant to section 250R(2) of the Corporations Act 2001(Cth) ("**Corporations Act**") a resolution that the remuneration report be adopted must be put to vote at the Company's AGM. The vote on this Resolution is advisory only and does not bind the Directors or Company. The remuneration report is set out in the Company's year 2017 Annual Report which is available from the Company's website [www.empireenergygroup.net](http://www.empireenergygroup.net).

The remuneration report:

- describes the policies behind, and the structure of, the remuneration arrangements of the Company and the link between the remuneration of executives and the Company's performance;
- sets out the remuneration arrangements in place for each Director and for certain members of the senior management team; and
- explains the difference between the bases for remunerating non-executive Directors and senior executives, including the Chief Executive Officer.

If Resolution 1 receives a 'no' vote of 25% or more of votes cast at the Meeting, then:

- if comments are made on the report at the Annual General Meeting, the Company will seek to include a report on actions taken by the Board in connection with the Company's remuneration policy in the Company's next annual report or, if no action is proposed, the Board's reasons for this position; and
- if, at the Company's 2019 Annual General Meeting, at least 25% of the votes cast on the resolution for adoption of the remuneration report for the relevant financial year are against its adoption, the Company will be required to put to Shareholders a resolution proposing that a General Meeting (**Spill Meeting**) be called to consider the election of directors of the Company (**Spill Resolution**). The Spill Meeting must be held within 90 days of the date of the 2019 Annual General Meeting. For a Spill Resolution to be passed, more than 50% of the votes cast on the resolution must be in favour of it. If a Spill Resolution is passed, all of the Directors (other than any managing director) will cease to hold office immediately before the end of the Spill Meeting unless re-elected at that meeting.

The Board will take the outcome of the vote, even if it receives a less than 25% 'no' vote into consideration when reviewing the Company's remuneration policy. A 'no' vote of 25% or more was not received at the Company's 2017 Annual General Meeting.

The Chairman of the Meeting proposes to cast any undirected proxies in favour of Resolution 1.

### **Resolution 2: Re-election of David Sutton as a Director**

At the Annual General Meeting, Mr David Sutton will retire in accordance with ASX Listing Rule 14.5 and Article 50.1 of the Company's constitution.

Being eligible, Mr Sutton will offer himself for re-election at the AGM.

Mr Sutton's qualifications, experience, other directorships and shareholding in the Company are detailed in the Directors' report forming part of the Company's 2017 annual financial report which can be accessed on the Company's website at [www.empireenergygroup.net](http://www.empireenergygroup.net).

### **Resolution 3: Re-election of Lin Tang as a Director**

At the Annual General Meeting, Ms Lin Tang will retire in accordance with ASX Listing Rule 14.4 and Article 48.2 of the Company's constitution.

Being eligible, Ms Tang will offer herself for re-election at the AGM.

Ms Tang's qualifications, experience, other directorships and shareholding in the Company are detailed in the Directors' report forming part of the Company's 2017 annual financial report which can be accessed on the Company's website at [www.empireenergygroup.net](http://www.empireenergygroup.net).

### **Resolutions 4, 5 & 6: Ratify past issue of securities**

The Company is seeking subsequent Shareholder approval under Resolutions 4, 5 and 6 for the issue of Shares and Unlisted Options pursuant to ASX Listing Rule 7.4 so that such Shares are not taken into account in determining the Company's capacity to issue up to 15% of its issued Shares, if required, in the next 12 months without the need to obtain further Shareholder approval.

Under ASX Listing Rule 7.1, a listed company may (in general terms) only issue new Equity Securities up to 15% of its capital (calculated on a rolling 12-month basis). The issue of the securities subject to Resolutions 4, 5 and 6 were made within the ASX Listing Rule 7.1 placement capacity.

The allottees of the Shares and Options were professional and/or sophisticated investors or an employee (as the case may be) for the purposes of section 708(8) or 708(11) of the Corporations Act (as applicable) and did not acquire the Shares with the purpose of selling or transferring all or any of them or granting, issuing or transferring interests in or options over them, except where disclosure to investors is not required under sections 708 or 708A of the Corporations Act.

ASX Listing Rule 7.4 allows for subsequent shareholder approval of issues of equity securities for the purposes of Listing Rule 7.1 if the Company did not breach the ASX Listing Rule 7.1 placement limit at the time of issue and the holders of ordinary shares subsequently approve the issue. The Company is now seeking approval for the issue of these securities in the manner provided by ASX Listing Rule 7.4.

In accordance with the requirements of ASX Listing Rule 7.5, the following information is provided in relation to the securities the subject of the ratification:

Shares in relation to Resolution 4:

|                                                                                          |                                                                                                                                                                                                                                                                                                                                                                                                                             |
|------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Date of issue                                                                            | 22 February 2018                                                                                                                                                                                                                                                                                                                                                                                                            |
| Number of securities issued                                                              | 2,000,000 fully paid Ordinary Shares                                                                                                                                                                                                                                                                                                                                                                                        |
| Terms of Securities                                                                      | The Shares are fully paid and rank equally in all respects with all other fully paid Ordinary Shares.                                                                                                                                                                                                                                                                                                                       |
| Names of persons who received securities or basis on which those persons were determined | Granted to professional and/or sophisticated investors.<br><br>The allottees under Resolution 4 were not related parties of the Company.                                                                                                                                                                                                                                                                                    |
| Issue Price of Securities                                                                | \$0.0125                                                                                                                                                                                                                                                                                                                                                                                                                    |
| Use of funds raised                                                                      | Funds raised from the issue were utilised for the following purposes: <ul style="list-style-type: none"><li>- for funding obligations to keep the Company's Northern Territory tenements in good standing;</li><li>- to facilitate discussions and negotiations with potential Northern Territory Farmout partner/s;</li><li>- to strengthen the management team; and</li><li>- for working capital requirements.</li></ul> |

|                            |                                                                                                  |
|----------------------------|--------------------------------------------------------------------------------------------------|
| Voting exclusion statement | Refer to the Notice of Meeting for details of the voting exclusion statement for the resolution. |
|----------------------------|--------------------------------------------------------------------------------------------------|

Shares in relation to Resolution 5:

|                                                                                          |                                                                                                                                                                                                                                                                                                                                           |
|------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Date of issue                                                                            | 13 April 2018                                                                                                                                                                                                                                                                                                                             |
| Number of securities issued                                                              | 4,500,000 fully paid Ordinary Shares                                                                                                                                                                                                                                                                                                      |
| Terms of Securities                                                                      | The Shares are fully paid and rank equally in all respects with all other fully paid Ordinary Shares.<br><br>1,500,000 of the fully paid Ordinary Shares issued are subject to a 12-month voluntary escrow arrangement.<br><br>1,500,000 of the fully paid Ordinary Shares issued are subject to a 24-month voluntary escrow arrangement. |
| Names of persons who received securities or basis on which those persons were determined | Granted to an employee of the Company under the terms and conditions of their employment contract.<br><br>The allottee under Resolution 5 was not related party of the Company.                                                                                                                                                           |
| Issue Price of Securities                                                                | Nil                                                                                                                                                                                                                                                                                                                                       |
| Use of funds raised                                                                      | N/A                                                                                                                                                                                                                                                                                                                                       |
| Voting exclusion statement                                                               | Refer to the Notice of Meeting for details of the voting exclusion statement for the resolution.                                                                                                                                                                                                                                          |

Shares in relation to Resolution 6:

|                                                                                          |                                                                                                                                                                                                                                                                                                                             |
|------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Date of issue                                                                            | 13 April 2018                                                                                                                                                                                                                                                                                                               |
| Number of securities issued                                                              | 3,000,000 Unlisted Options                                                                                                                                                                                                                                                                                                  |
| Terms of Securities                                                                      | Unlisted Options to acquire fully paid ordinary shares, exercisable at \$0.03 per share and vest 12 months after the date of grant. Expire on 30 December 2021.<br><br>The Shares issued on exercise of the Unlisted Options will be fully paid and rank equally in all respects with all other fully paid Ordinary Shares. |
| Names of persons who received securities or basis on which those persons were determined | Granted to an employee of the Company under the terms and conditions of their employment contract.<br><br>The allottee under Resolution 6 was not a related party of the Company.                                                                                                                                           |
| Issue Price of Securities                                                                | Nil                                                                                                                                                                                                                                                                                                                         |
| Use of funds raised                                                                      | N/A                                                                                                                                                                                                                                                                                                                         |
| Voting exclusion statement                                                               | Refer to the Notice of Meeting for details of the voting exclusion statement for the resolution.                                                                                                                                                                                                                            |

**Resolutions 7, 8 & 9: Approve the participation of Mr B W McLeod, Mr D Sutton and Ms L Tang in an issue of options under the Employee Share Option Plan ("ESOP")**

ASX Listing Rule 10.14 requires Shareholder approval for the issue of securities under an employee incentive scheme to a related party of the Company.

Shareholder approval is now being sought under ASX Listing Rule 10.14 to grant the following Options to the Directors (and related parties) of the Company under the Company's ESOP which was approved by Shareholders at the Company's 2017 Annual General Meeting.

The Board considers that, as an incentive, Options be offered to executive and non-executive directors and employees who have contributed to the Company achieving predetermined goals. Over the past year the Company experienced capital constraints and a stressed oil and gas market. Under these difficult conditions, US operations have been able to hold steady oil and gas production for the third year in a row. In Australia, a significant capital raising was completed during the 2017 financial year, operating costs were reduced, and significant progress was made in discussions and negotiations with a potential joint venture partner for the Company's McArthur Basin, Northern Territory tenements. On 14 December 2017, the Company resolved that that it would issue options under the ESOP as set out below, along with 7,000,000 options to an additional 8 employees in the USA and Australia.

The purpose of granting Options to Mr McLeod, Mr Sutton and Ms Tang pursuant to the Plan is to provide an incentive for them to continue with the Company and achieve predetermined goals.

| <b>Director</b> | <b>Exercise Price</b> | <b>No of options to be granted</b> | <b>Expiry Date</b> |
|-----------------|-----------------------|------------------------------------|--------------------|
| Mr B W McLeod   | \$0.03                | 6,000,000                          | 30 December 2022   |
| Mr D Sutton     | \$0.03                | 2,000,000                          | 30 December 2022   |
| Ms L Tang       | \$0.03                | 2,000,000                          | 30 December 2022   |

The following information is provided to Shareholders for the purposes of ASX Listing Rule 10.15:

- a) The maximum number of Options to be granted under Resolutions 7, 8 and 9 are:

| <b>Director</b> | <b>Maximum No of Options</b> |
|-----------------|------------------------------|
| Mr B W McLeod   | 6,000,000                    |
| Mr D Sutton     | 2,000,000                    |
| Ms L Tang       | 2,000,000                    |

- b) The Options will entitle the holders to subscribe for one fully paid ordinary Share in the Company at the exercise price of \$0.03 per Share prior to the expiry date and subject to the minimum term of employment vesting conditions and the other terms and conditions of the Plan.

The exercise price of the Options has been calculated at a price which represents a premium of 66% over the closing price of the Company's Shares on the ASX on 16 April 2018, which was \$0.018.

- c) The names of all persons referred to in ASX Listing Rule 10.14 who received securities under the scheme since its last approval on 31 May 2017 are:

|                                                  | <b>No. of options</b> | <b>Vesting date</b> | <b>Exercise price*</b> | <b>Expiry date</b> |
|--------------------------------------------------|-----------------------|---------------------|------------------------|--------------------|
| <b><u>Mr B W McLeod – Executive Chairman</u></b> |                       |                     |                        |                    |
| Tranche 1                                        | 5,000,000             | 10/07/2019          | \$0.03                 | 30/12/2021         |

The above Options were granted as an incentive and accordingly were granted for nil consideration.

- d) The names of people referred to in ASX Listing Rule 10.14 entitled to participate in the Plan are:

|            |                        |
|------------|------------------------|
| B W McLeod | Executive Chairman     |
| D H Sutton | Non-Executive Director |
| Ms L Tang  | Non-Executive Director |

- e) The Options will be issued as soon as practicable but, in any case, no later than twelve months after the date of the Annual General Meeting, unless extended by way of ASX granting a waiver to the ASX Listing Rules.
- f) The Options will be granted as incentive options and hence are granted for no consideration. As the Options will be granted for nil consideration, no loan will be extended in relation to the acquisition by Mr McLeod, Mr Sutton and Ms Tang of the Options.
- g) The Options proposed to be granted to Mr McLeod, Mr Sutton and Ms Tang pursuant to Resolutions 7, 8 and 9 are part of their director's remuneration and considered by the Board to be reasonable in the circumstances. As such, the Board considers that approval is not required under Chapter 2E of the Corporations Act as the exemption in section 211(1) of the Corporations Act 2001 applies.

## **Resolution 10: Approval of 10% Placement Facility**

### **1. General**

Under ASX Listing Rule 7.1, a listed company may (in general terms) only issue new Equity Securities up to 15% of its issued capital (calculated on a rolling 12-month basis). For the purposes of the Company, this is the equivalent of approximately 189.8 million Ordinary Shares based on the current capital of 1,265,237,176 Ordinary Shares. Exceptions to the ASX Listing Rule 7.1 15% placement limit include issues of Equity Securities approved by Shareholders.

ASX Listing Rule 7.1A permits eligible entities, which have obtained Shareholder approval by special resolution at the Company's annual general meeting to issue an additional 10% of ordinary securities through placements in a 12-month period ("**10% Placement Facility**"). The 10% Placement Facility operates in addition to the Company's 15% placement capacity under ASX Listing Rule 7.1, as referred to above.

An eligible entity for the purposes of ASX Listing Rule 7.1A is an entity that is, as at the date the relevant special resolution is passed for the purposes of ASX Listing Rule 7.1A, not included in the S&P/ASX 300 Index *and* has a market capitalisation of \$300 million or less (excluding restricted securities and securities quoted on deferred settlement basis). The Company is an eligible entity for the purposes of ASX Listing Rule 7.1A.

The Company is seeking Shareholder approval by way of a special resolution in order to issue additional Equity Securities over the forthcoming 12-month period under the 10% Placement Facility.

The exact number of Equity Securities to be issued under the 10% Placement Facility will be determined in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 (refer to section 2(c) below).

It is anticipated that funds raised by any issue of Equity Securities pursuant to the additional 10% Placement Facility would be used for exploration drilling, to maintain the Company's Northern Territory tenements in good standing, to provide the equity component of any acquisition cost of oil and gas assets in the United States, and to supplement the Company's working capital.

The Company may also issue Equity Securities for non-cash consideration to consultants or other parties for services rendered and may issue Equity Securities to third parties in converting debt to equity or in satisfaction of the performance of other obligations of the Company as the Company has previously.

## 2. Description of ASX 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 the Annual General Meeting.

### (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. In the case of the Company, the sole class of quoted Equity Securities is ordinary shares.

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

ASX Listing Rule 7.1A.2 provides that eligible entities which have obtained shareholder approval at an annual general meeting may issue or agree to issue, during the 12-month period after the date of the annual general meeting, 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:

- plus the number of fully paid ordinary shares issued in the 12 months under an exception in ASX Listing Rule 7.2;
- plus the number of partly paid ordinary shares that became fully paid in the 12 months;
- plus the number of fully paid shares issued in the 12 months with approval of holders of shares under ASX Listing Rule 7.1 and 7.4. This does not include an issue of fully paid shares under the entity's 15% placement capacity without shareholder approval;
- less the number of fully paid ordinary shares cancelled in the 12 months.

*Note that "A" has the same meaning in ASX Listing Rule 7.1 when calculating an entity's 15% placement capacity.*

**D** is 10%

**E** is the number of Equity Securities issued or agreed to be issued under ASX 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 shareholders under ASX Listing Rule 7.1 or 7.4.

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

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

Issues under the placement capacities provided for in each of ASX Listing Rule 7.1 and ASX Listing Rule 7.1A are made and calculated separately. An issue or agreement to issue Equity Securities under ASX Listing Rule 7.1 without shareholder approval uses up part of the ASX Listing Rule 7.1 15% capacity. As a separate matter, any issue or agreement to issue Equity Securities under ASX Listing Rule 7.1A uses up part of the ASX Listing Rule 7.1A 10% capacity.

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

**(e) Minimum issue price**

The issue price of the Equity Securities issued under ASX Listing Rule 7.1A must be not less than 75% of the volume weighted average market price ("**VWAP**") for securities in the same class calculated over the 15 trading days in which trades in that class were recorded 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 which the Equity Securities are issued.

**(f) 10% placement period**

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

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

or such longer period if allowed by the ASX ("**10% Placement Period**").

**3. Specific Information Required by ASX Listing Rule 7.3A.6(a)**

The table below shows the total number of all Equity Securities issued in the 12 months preceding the date of the Annual General Meeting, and the percentage such Equity Securities represent of the total number of Equity Securities on issue at the commencement of the 12-month period. This calculation does not include any Shares to be issued between the date of this notice and the date of the Annual General Meeting.

|                                                                                                                           |                             |
|---------------------------------------------------------------------------------------------------------------------------|-----------------------------|
| Total Equity Securities issued in the prior 12-month period                                                               | 355,544,567 Ordinary Shares |
| Percentage previous issues represent of total number of Equity Securities on issue at the commencement of 12-month period | 42.56% of Ordinary Shares   |

#### 4. Specific Information Required by ASX Listing Rule 7.3A.6(b)

The tables below set out specific details for each issue of Equity Securities that have taken place in the 12-month period preceding the date of the Annual General Meeting.

|                                                                                          |                                                                      |                                                                      |                                                                                                                                   |                                                                                                            |                                                                                                                                                                                   |
|------------------------------------------------------------------------------------------|----------------------------------------------------------------------|----------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Number issued                                                                            | 4,500,000                                                            | 6,000,000                                                            | 75,000,000                                                                                                                        | 2,000,000                                                                                                  | 73,000,000                                                                                                                                                                        |
| Class and type of equity security                                                        | Fully paid ordinary shares                                           | Unlisted options                                                     | Fully paid ordinary shares                                                                                                        | Fully paid ordinary shares                                                                                 | Fully paid ordinary shares                                                                                                                                                        |
| Summary of terms                                                                         | Per existing ordinary shares                                         | Exercisable at \$0.03 per share, expiring 30/12/2021                 | Per existing ordinary shares                                                                                                      | Per existing ordinary shares                                                                               | Per existing ordinary shares                                                                                                                                                      |
| Names of persons who received securities or basis on which those persons were determined | To an employee of the Company under the terms of employment contract | To an employee of the Company under the terms of employment contract | Private placement                                                                                                                 | Private placement                                                                                          | Private placement                                                                                                                                                                 |
| Price                                                                                    | Nil                                                                  | Nil                                                                  | \$0.0125                                                                                                                          | \$0.0125                                                                                                   | \$0.0125                                                                                                                                                                          |
| Discount to market price (if any)                                                        | n/a                                                                  | n/a                                                                  | 30.55%*                                                                                                                           | 37.5%*                                                                                                     | 45.65%                                                                                                                                                                            |
| <b>For cash issues</b>                                                                   |                                                                      |                                                                      |                                                                                                                                   |                                                                                                            |                                                                                                                                                                                   |
| Total cash consideration received                                                        | N/A                                                                  | N/A                                                                  | \$937,500                                                                                                                         | \$25,000                                                                                                   | \$912,500                                                                                                                                                                         |
| Amount of cash consideration spent                                                       | N/A                                                                  | N/A                                                                  | Nil                                                                                                                               | Nil                                                                                                        | \$716,700                                                                                                                                                                         |
| Use of cash consideration                                                                | N/A                                                                  | N/A                                                                  | N/A                                                                                                                               | N/A                                                                                                        | Northern Territory tenement & operating expenses, NT JV negotiations, review of potential USA assets, legal costs and capital raising fees, relocation expenses, working capital. |
| Intended use for remaining amount of cash (if any)                                       | N/A                                                                  | N/A                                                                  | Northern Territory tenement expenses, NT JV negotiations, review of potential USA assets, capital raising costs, working capital. | Northern Territory tenement expenses, NT JV negotiations, review of potential USA assets, working capital. | As above.                                                                                                                                                                         |
| <b>For non-cash consideration</b>                                                        |                                                                      |                                                                      |                                                                                                                                   |                                                                                                            |                                                                                                                                                                                   |
| Non-cash consideration paid                                                              | N/A                                                                  | N/A                                                                  | N/A                                                                                                                               | N/A                                                                                                        | N/A                                                                                                                                                                               |
| Current value of that non-cash consideration                                             | N/A                                                                  | N/A                                                                  | N/A                                                                                                                               | N/A                                                                                                        | N/A                                                                                                                                                                               |

\* Discount to last closing price before announcement of share issue

|                                                                                          |                                                                               |                                                      |                                                                               |                                                                                                           |  |
|------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------|------------------------------------------------------|-------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------|--|
| Number issued                                                                            | 5,000,000                                                                     | 13,000,000                                           | 13,544,567                                                                    | 187,500,000                                                                                               |  |
| Class and type of equity security                                                        | Unlisted options                                                              | Unlisted options                                     | Fully paid ordinary shares                                                    | Fully paid ordinary shares                                                                                |  |
| Summary of terms                                                                         | Exercisable at \$0.03 per share, expiring 31/01/2020                          | Exercisable at \$0.03 per share, expiring 30/12/2021 | Per existing ordinary shares                                                  | Per existing ordinary shares                                                                              |  |
| Names of persons who received securities or basis on which those persons were determined | Baillieu Holst Ltd for services rendered in the February 2018 capital raising | Granted pursuant to the ESOP                         | 153 Fish Capital Pte Ltd for services rendered to the Company as a fee offset | Private placement                                                                                         |  |
| Price                                                                                    | Nil                                                                           | Nil                                                  | \$0.008                                                                       | \$0.008                                                                                                   |  |
| Discount to market price (if any)                                                        | n/a                                                                           | n/a                                                  | N/A                                                                           | N/A                                                                                                       |  |
| <b>For cash issues</b>                                                                   |                                                                               |                                                      |                                                                               |                                                                                                           |  |
| Total cash consideration received                                                        | N/A                                                                           | N/A                                                  | N/A                                                                           | \$1,500,000                                                                                               |  |
| Amount of cash consideration spent                                                       | N/A                                                                           | N/A                                                  | N/A                                                                           | \$1,500,000                                                                                               |  |
| Use of cash consideration                                                                | N/A                                                                           | N/A                                                  | N/A                                                                           | Drilling program USA, Northern Territory tenement expenses, NT JV negotiations, corporate working capital |  |
| Intended use for remaining amount of cash (if any)                                       | N/A                                                                           | N/A                                                  | N/A                                                                           | N/A                                                                                                       |  |
| <b>For non-cash consideration</b>                                                        |                                                                               |                                                      |                                                                               |                                                                                                           |  |
| Non-cash consideration paid                                                              | N/A                                                                           | N/A                                                  | \$108,357                                                                     | N/A                                                                                                       |  |
| Current value of that non-cash consideration                                             | N/A                                                                           | N/A                                                  | \$108,357                                                                     | N/A                                                                                                       |  |

## 5. Specific Information Required by ASX Listing Rule 7.3A

Pursuant to and in accordance with ASX Listing Rule 7.3A, the following information is provided in relation to the approval of the 10% Placement Facility referred to in Resolution 10:

- (a) The Equity Securities will be issued at an issue price of not less than that specified in ASX Listing Rule 7.1A.3, as described at paragraph 2(e), above.
- (b) If Resolution 10 is approved by Shareholders and the Company issues Equity Securities under the 10% Placement Facility, existing Shareholders' economic and voting interests will be diluted. The table below provides examples of the potential effect of such dilution. There is also a risk that:

- (i) the market price for the Company's Equity Securities may be significantly lower on the date of the issue of the Equity Securities than on the date of the Annual General Meeting; and
- (ii) the Equity Securities may be issued at a price that is at a discount to the market price for the Company's Equity Securities on the issue date or the Equity Securities may be issued as part of consideration for the acquisition of a new asset,

which may have an effect on the amount of funds raised by the issue of the Equity Securities.

The following table shows the dilution of existing shareholdings on the basis of the assumptions set out below the table and based on the number of Shares for variable "A" calculated in accordance with the formula in ASX Listing Rule 7.1A(2) as at the date of the Notice of Meeting.

The following table also shows:

- (i) examples where variable "A" has increased by 50% and 100%. Variable "A" is based on the number of Ordinary Shares the Company has on issue at the date of the Notice of Meeting. The number of Ordinary Shares on issue may increase as a result of issues of Ordinary Shares that do not require Shareholder approval (for example, a pro rata entitlements issue or scrip issued under a takeover offer) or future specific placements under Listing Rule 7.1 that are issued with Shareholder approval at a future shareholders' meeting; and
- (ii) examples of where the issue price of Ordinary Shares has first decreased by 50% (Dilution first column) and, second, increased by 100% (Dilution third column), as against the current market price of Ordinary Shares (\$0.018 as at 13 April 2018).

| Variable 'A' in ASX Listing Rule 7.1A.2                          |                            | Dilution                                  |                        |                                               |
|------------------------------------------------------------------|----------------------------|-------------------------------------------|------------------------|-----------------------------------------------|
|                                                                  |                            | \$0.009<br>50% decrease<br>in Issue Price | \$0.018<br>Issue Price | \$0.036<br>100%<br>Increase in<br>Issue Price |
| <b>Current Variable A<br/>1,265,237,176</b>                      | <b>10% Voting Dilution</b> | 126,523,718<br>Shares                     | 126,523,718<br>Shares  | 126,523,718<br>Shares                         |
|                                                                  | <b>Funds raised</b>        | \$1,138,713                               | \$2,277,427            | \$4,554,854                                   |
| <b>50% Increase in<br/>Current Variable A<br/>1,897,855,764</b>  | <b>10% Voting Dilution</b> | 189,785,576<br>Shares                     | 189,785,576<br>Shares  | 189,785,576<br>Shares                         |
|                                                                  | <b>Funds raised</b>        | \$1,708,070                               | \$3,416,140            | \$6,832,281                                   |
| <b>100% Increase in<br/>current Variable A<br/>2,530,474,352</b> | <b>10% Voting Dilution</b> | 253,047,435<br>Shares                     | 253,047,435<br>Shares  | 253,047,435<br>Shares                         |
|                                                                  | <b>Funds raised</b>        | \$2,277,427                               | \$4,554,854            | \$9,109,708                                   |

**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) 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%.
- (iii) 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 Annual General Meeting.
- (iv) The table shows only the effect of issues of Equity Securities under ASX Listing Rule 7.1A, not under the 15% placement capacity under ASX Listing Rule 7.1.
- (v) The issue of equity securities under the 10% Placement Facility consists only of shares and excludes the exercise of any options on issue including those on issue under an employee share plan. The issue price is \$0.018, being the closing price of Ordinary Shares on ASX on 13 April 2018.

- (c) The Company will only issue and allot the Equity Securities during the 10% Placement Period. Approval under Resolution 10 for the issue of the Equity Securities will lapse after that period. The approval will cease to be valid in the event that Shareholders approve a transaction under ASX Listing Rule 11.1.2 (a significant change to the nature or scale of activities or ASX Listing Rule 11.2 (disposal of main undertaking).
- (d) The Company may seek to issue the Equity Securities for the following purposes:
  - (i) non-cash consideration for the acquisition of the new resource assets and investments and to consultants or other parties for services rendered and may issue Equity Securities to third parties in converting debt to equity or in satisfaction of the performance of other obligations of the Company as the Company has previously. In such circumstances the Company will provide a valuation of the non-cash consideration as required by ASX Listing Rule 7.1A.3; or
  - (ii) cash consideration. In such circumstances, the Company intends to use the funds raised towards the exploration activities at its existing projects and/or for acquisition of new assets or investments (including expenses associated with such acquisition) and to supplement the Company's general working capital.

The Company will comply with the disclosure obligations under ASX Listing Rules 7.1A(4) and 3.10.5A upon issue of any Equity Securities under the 10% Placement Facility.

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

- (i) the purpose of the issue;
- (ii) the dilutionary effect of the proposed issue of the Equity Securities on existing Shareholders at the time of the proposed issue;
- (iii) the methods of raising funds that are available to the Company, including but not limited to, entitlement issues or other issues in which existing Shareholders can participate;
- (iv) prevailing market conditions;
- (v) the financial situation and solvency of the Company; and
- (vi) advice from professional advisers, including corporate, financial and broking advisers (if applicable).

The allottees under the 10% Placement Facility have not been determined as at the date of the Notice of Meeting but may include existing substantial Shareholders and/or new Shareholders of the Company who are not related parties or Associates of a related party of the Company.

- (e) The Company previously obtained approval from its Shareholders pursuant to ASX Listing Rule 7.1A at its 2017 Annual General Meeting.

- (f) A voting exclusion statement is included in the Notice of Meeting. At the date of the Notice of Meeting, the Company has not approached any particular existing Shareholder or an identifiable class of existing Shareholders to participate in the issue of Equity Securities under the 10% Placement Facility, and therefore, no existing Shareholder's votes will be excluded from voting on Resolution 10.

The Board considers that the approval of the issue of the 10% Placement Facility described above is beneficial for the Company as it provides the Company with the flexibility to issue up to the maximum number of securities permitted under ASX Listing Rule 7.1A in the next 12 months (without further Shareholder approval), should it be required. At the date of the notice of this meeting, the Company has no plans to use the 10% Placement Facility should it be approved.

## Glossary

In the Notice of Meeting and this Explanatory Statement the following defined terms have the following meanings:

**Annual General Meeting** means the annual general meeting convened by the Notice of Meeting.

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

**ASX** means Australian Securities Exchange.

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

**Board** means the board of Directors of the Company.

**Business Day** has the meaning given to that term in the ASX Listing Rules.

**Company** means Empire Energy Group Limited (ABN 29 002 148 361).

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

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

**Dollar** or **\$** means the lawful currency of the Commonwealth of Australia.

**Equity Securities** includes a Share, a right to a Share or Option, an Option, a convertible security and any security that ASX decides to classify as an Equity Security.

**Notice of Meeting** means the notice of meeting that accompanies this Explanatory Statement.

**Option** means an option to purchase a Share.

**Share** means an ordinary share in the capital of the Company that is fully paid or credited as fully paid (as the case may be).

**Shareholder** means a registered holder of Shares in the Company.



ABN 29 002 148 361

EEG

MR SAM SAMPLE  
FLAT 123  
123 SAMPLE STREET  
THE SAMPLE HILL  
SAMPLE ESTATE  
SAMPLEVILLE VIC 3030

## 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 850 505  
(outside Australia) +61 3 9415 4000

## Proxy Form

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### Vote and view the annual report online

- Go to [www.investorvote.com.au](http://www.investorvote.com.au) or scan the QR Code with your mobile device.
- Follow the instructions on the secure website to vote.

### Your access information that you will need to vote:

Control Number: 999999

SRN/HIN: I999999999

PIN: 99999

PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.



**For your vote to be effective it must be received by 11:30am (Sydney time) on Tuesday, 29 May 2018**

## 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 →**

MR SAM SAMPLE  
FLAT 123  
123 SAMPLE STREET  
THE SAMPLE HILL  
SAMPLE ESTATE  
SAMPLEVILLE VIC 3030



**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.



I 9999999999

IND

# Proxy Form

Please mark ☒ to indicate your directions

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

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I/we being a member/s of Empire Energy Group 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 Empire Energy Group Limited to be held at Level 16, 1 Market Street, Sydney NSW 2000 on Thursday, 31 May 2018 at 11:30am (Sydney time) 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 Resolutions 1, 7, 8 and 9 (except where I/we have indicated a different voting intention below) even though Resolutions 1, 7, 8 and 9 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 Resolutions 1, 7, 8 and 9 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                  |
|---------------|----------------------------------------------------------------------------------|--------------------------|--------------------------|--------------------------|
| Resolution 1  | Adoption of Remuneration Report                                                  | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Resolution 2  | Re-election of Mr David Sutton as a director                                     | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Resolution 3  | Re-election of Ms Lin Tang as a director                                         | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Resolution 4  | Ratify the past issue of 2,000,000 shares                                        | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Resolution 5  | Ratify the past issue of 4,500,000 shares                                        | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Resolution 6  | Ratify the past issue of 3,000,000 options                                       | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Resolution 7  | Approve the participation of Mr Bruce W McLeod in the Employee Share Option Plan | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Resolution 8  | Approve the participation of Mr David Sutton in the Employee Share Option Plan   | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Resolution 9  | Approve the participation of Ms Lin Tang in the Employee Share Option Plan       | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Resolution 10 | 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           | Securityholder 2     | Securityholder 3           |
| <input type="text"/>                     | <input type="text"/> | <input type="text"/>       |
| Sole Director and Sole Company Secretary | Director             | Director/Company Secretary |

|                      |                           |                      |
|----------------------|---------------------------|----------------------|
| Contact Name         | Contact Daytime Telephone | Date                 |
| <input type="text"/> | <input type="text"/>      | <input type="text"/> |