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**CALIMA ENERGY LIMITED**

**ACN 117 227 086**

**NOTICE OF ANNUAL GENERAL MEETING**

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**TIME:** 2:00pm (WST)

**DATE:** 31 May 2018

**PLACE:** Country Women's Association of WA  
1176 Hay St  
West Perth WA 6005

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

***Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on (+61 8) 6500 3270***

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**CONTENTS PAGE**

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Business of the Meeting (setting out the proposed resolutions)	3
Explanatory Statement (explaining the proposed resolutions)	7
Glossary	19
Proxy Form	Enclosed

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**IMPORTANT INFORMATION**

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**TIME AND PLACE OF MEETING**

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Notice is given that the Annual General Meeting of the Shareholders to which this Notice of Meeting relates will be held at 2:00pm (WST) on 31 May 2018 at:

Country Women's Association of WA  
1176 Hay St  
West Perth WA 6005

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**YOUR VOTE IS IMPORTANT**

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

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**VOTING ELIGIBILITY**

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The Directors have determined pursuant to Regulations 7.11.37 and 7.11.38 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Annual General Meeting are those who are registered Shareholders at 2:00pm (WST) on 29 May 2018.

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**VOTING IN PERSON**

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

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**VOTING BY PROXY**

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

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

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

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

- if proxy holders vote, they must cast all directed proxies as directed; and

- any directed proxies which are not voted will automatically default to the Chair, who must vote the proxies as directed.

Further details on these changes is set out below.

### ***Proxy vote if appointment specifies way to vote***

Section 250BB(1) of the Corporations Act provides that an appointment of a proxy may specify the way the proxy is to vote on a particular resolution and, **if it does:**

- the proxy need not vote on a show of hands, but if the proxy does so, the proxy must vote that way (i.e. as directed); and
- if the proxy has 2 or more appointments that specify different ways to vote on the resolution – the proxy must not vote on a show of hands; and
- if the proxy is the chair of the meeting at which the resolution is voted on – the proxy must vote on a poll, and must vote that way (i.e. as directed); and
- if the proxy is not the chair – the proxy need not vote on the poll, but if the proxy does so, the proxy must vote that way (i.e. as directed).

### ***Transfer of non-chair proxy to chair in certain circumstances***

Section 250BC of the Corporations Act provides that, if:

- an appointment of a proxy specifies the way the proxy is to vote on a particular resolution at a meeting of the Company's members; and
- the appointed proxy is not the chair of the meeting; and
- at the meeting, a poll is duly demanded on the resolution; and
- either of the following applies:
  - the proxy is not recorded as attending the meeting;
  - the proxy does not vote on the resolution,

the chair of the meeting is taken, before voting on the resolution closes, to have been appointed as the proxy for the purposes of voting on the resolution at the meeting.

### ***Voting Prohibition***

In accordance with section 250BD of the Corporations Act, a person appointed as a proxy must not vote on the basis of that appointment on Resolution 1 if the person is either:

- a member of the Key Management Personnel of the Company; or
- a Closely Related Party of such a member, and

the appointment does not specify the way the proxy is to vote on Resolution 1.

However, the prohibition does not apply if the proxy is the Chair and the appointment expressly authorises the Chair to exercise the proxy even if Resolution 1 is connected directly or indirectly with remuneration of a member of the Key Management Personnel of the Company.

**AGENDA**

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**ORDINARY BUSINESS****Financial Statements and Reports**

To receive and consider the annual financial report of the Company for the financial year ended 31 December 2017 together with the declaration of the Directors, the Directors' Report, the Remuneration Report and the auditor's report.

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**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 purpose of Section 250R(2) of the Corporations Act 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.”*

**Note: the vote on this Resolution is advisory only and does not bind the Directors or the Company.**

**Voting Prohibition Statement:**

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

- (a) a member of the Key Management Personnel, details of whose remuneration are included in the Remuneration Report; or
- (b) a Closely Related Party of such a member.

However, a person (the **voter**) described above may cast a vote on this Resolution as a proxy if the vote is not cast on behalf of a person described above and either:

- (c) the voter is appointed as a proxy by writing that specifies the way the proxy is to vote on this Resolution; or
- (d) the voter is the Chair and the appointment of the Chair as proxy:
  - (i) does not specify the way the proxy is to vote on this Resolution; and
  - (ii) expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

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**2. RESOLUTION 2 – RE-ELECTION OF DIRECTOR – MR GLENN WHIDDON**

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

*“That, for the purpose of clause 13.2 of the Constitution and for all other purposes, Mr Glenn Whiddon, a Director, retires by rotation, and being eligible, is re-elected as a Director.”*

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### 3. RESOLUTION 3 – APPROVAL OF 10% PLACEMENT CAPACITY– SHARES

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

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

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

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### 4. RESOLUTION 4 – RATIFICATION OF PRIOR ISSUE OF PLACEMENT SHARES

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

*“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders approve and ratify the prior issue by the Company of 63,956,820 Shares pursuant to the Placement and on the terms and conditions set out in the Explanatory Statement.”*

#### **Voting Exclusion**

The Company will disregard any votes cast in favour of this Resolution by or on behalf of any person that participated in the Placement and any of their associates. However, the Company will not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

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### 5. RESOLUTION 5 – APPROVAL TO ISSUE SHARES TO TSVM OPTIONHOLDERS

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

*“That, subject to the Company entering into private treaty agreements with the TSVM Optionholders prior to the Meeting, for the purposes of ASX Listing Rule 7.1 and for all other purposes, Shareholders approve and authorise the issue of 2,800,000 Shares for the acquisition of TSVM Options from the TSVM Optionholders on the terms and conditions set out in the Explanatory Statement.”*

## Voting Exclusion

The Company will disregard any votes cast in favour of this Resolution by or on behalf of a person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue of Shares under this Resolution (except a benefit solely in the capacity of a holder of ordinary securities in the Company), and any associates of those persons. However, the Company will not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

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## 6. RESOLUTION 6 – APPROVAL TO ISSUE SHARES TO TMKM NON-RELATED OPTIONHOLDERS

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

*“That, subject to the Company entering into private treaty agreements with the TMKM Non-Related Optionholders prior to the Meeting, for the purposes of ASX Listing Rule 7.1 and for all other purposes, Shareholders approve and authorise the issue of 14,040,000 Shares for the acquisition of TMKM Options from the TMKM Non-Related Optionholders on the terms and conditions set out in the Explanatory Statement.”*

## Voting Exclusion

The Company will disregard any votes cast in favour of this Resolution by or on behalf of a person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue of Shares under this Resolution (except a benefit solely in the capacity of a holder of ordinary securities in the Company), and any associates of those persons. However, the Company will not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

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## 7. RESOLUTION 7 – APPROVAL TO ISSUE SHARES TO DIRECTOR ALAN STEIN

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

*“That, subject to the Company entering into private treaty agreements with Havoc prior to the Meeting, for the purposes of ASX Listing Rule 10.11 and for all other purposes, Shareholders approve and authorise the issue of 675,000 Shares to Mr Alan Stein for the acquisition of TMKM Options held by Havoc on the terms and conditions set out in the Explanatory Statement.”*

## Voting Exclusion

The Company will disregard any votes cast in favour of this Resolution by or on behalf of Alan Stein and his nominees, and any associates of those persons. However, the Company will not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

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**8. RESOLUTION 8 – APPROVAL TO ISSUE SHARES TO DIRECTOR JONATHAN TAYLOR**

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

*“That, subject to the Company entering into private treaty agreements with Havoc prior to the Meeting, for the purposes of ASX Listing Rule 10.11 and for all other purposes, Shareholders approve and authorise the issue of 675,000 Shares to Mr Jonathan Taylor for the acquisition of TMKM Options held by Havoc on the terms and conditions set out in the Explanatory Statement.”*

**Voting Exclusion**

The Company will disregard any votes cast in favour of this Resolution by or on behalf of Jonathan Taylor and his nominees, and any associates of those persons. However, the Company will not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

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**9. RESOLUTION 9 – SECTION 195 APPROVAL**

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

*“That, subject to and conditional on Resolutions 7 and 8 being passed, pursuant to and in accordance with section 195(4) of the Corporations Act and for all other purposes, Shareholders approve and authorise the Directors to complete the transactions contemplated in Resolutions 7 and 8.”*

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**DATED: 1 MAY 2018**

**BY ORDER OF THE BOARD**



**MR GLENN WHIDDON  
CHAIRMAN**



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## EXPLANATORY STATEMENT

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

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### 1. FINANCIAL STATEMENTS AND REPORTS

In accordance with the Constitution, the business of the Meeting will include receipt and consideration of the annual financial report of the Company for the financial year ended 31 December 2017 together with the declaration of the directors, the Directors' Report, the Remuneration Report and the auditor's report.

The Company will not provide a hard copy of the Company's annual financial report to Shareholders unless specifically requested to do so. The Company's annual financial report is available on its website at [www.calimaenergy.com](http://www.calimaenergy.com) or by contacting the Company on +61 (8) 6500 3270.

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### 2. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

#### 2.1 General

The Corporations Act requires that at a listed company's annual general meeting, a resolution that the remuneration report be adopted must be put to the shareholders. However, such a resolution is advisory only and does not bind the company or the directors of the company.

The Remuneration Report sets out the Company's remuneration arrangements for the directors and senior management of the Company. The Remuneration Report is part of the Directors' Report contained in the annual financial report of the Company for the financial year ended 31 December 2017.

The Chair of the meeting will allow a reasonable opportunity for Shareholders to ask questions about or make comments on the Remuneration Report at the Meeting.

#### 2.2 Voting consequences

Under the Corporations Act, a company is required to put to its shareholders a resolution proposing the calling of another meeting of shareholders to consider the appointment of directors of the company (other than the managing director) who were in office at the date of approval of the applicable directors' report (**Spill Resolution**) if, at consecutive annual general meetings, at least 25% of the votes cast on a remuneration report resolution are voted against adoption of the remuneration report and at the first of those annual general meetings a Spill Resolution was not put to vote. If required, the Spill Resolution must be put to vote at the second of those annual general meetings.

If more than 50% of votes cast are in favour of the Spill Resolution, the company must convene a shareholder meeting (**Spill Meeting**) within 90 days of the second annual general meeting.

All of the directors of the company who were in office when the directors' report (as included in the company's annual financial report for the most recent financial year) was approved, other than the managing director of the company, will cease to hold office immediately before the end of the Spill Meeting but may stand for re-election at the Spill Meeting.

Following the Spill Meeting those persons whose election or re-election as directors of the company is approved will be the directors of the company.

### 2.3 Previous voting results

At the Company's previous annual general meeting the votes cast against the Remuneration Report considered at that annual general meeting were less than 25%. Accordingly, the Spill Resolution is not relevant for this Annual General Meeting.

### 2.4 Chair voting undirected proxies

The Chair intends to exercise all undirected proxies in favour of Resolution 7. If the Chair of the Meeting is appointed as your proxy and you have not specified the way the Chair is to vote on Resolution 1, by signing and returning the Proxy Form, you are considered to have provided the Chair with an express authorisation for the Chair to vote the proxy in accordance with the Chair's intention.

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## 3. RESOLUTION 2 – RE-ELECTION OF DIRECTOR – MR GLENN WHIDDON

Clause 13.2 of the Constitution provides that:

- (a) at the Company's annual general meeting in every year, one-third of the Directors for the time being, or, if their number is not a multiple of 3, then the number nearest one-third (rounded upwards in case of doubt), shall retire from office, provided always that no Director (except a Managing Director) shall hold office for a period in excess of 3 years, or until the third annual general meeting following his or her appointment, whichever is the longer, without submitting himself or herself for re-election;
- (b) The Directors to retire at an annual general meeting are those who have been longest in office since their last election, but, as between persons who became Directors on the same day, those to retire shall (unless they otherwise agree among themselves) be determined by drawing lots;
- (c) A Director who retires by rotation under clause 13.2 of the Constitution is eligible for re-election; and
- (d) In determining the number of Directors to retire, no account is to be taken of:
  - (i) a Director who only holds office until the next annual general meeting pursuant to clause 13.4 of the Constitution; and/ or
  - (ii) a Managing Director,

each of whom are exempt from retirement by rotation. However, if more than one Managing Director has been appointed by the Directors, only one of them (nominated by the Directors) is entitled to be excluded from any determination of the number of Directors to retire and/or retirement by rotation.

Mr Glenn Whiddon, the Director longest in office since his last election, retires by rotation at this Meeting and, being eligible seeks re-election.

Details of Mr Whiddon's background and experience are set out in the Annual Report.

The Board (other than Mr Whiddon) unanimously supports the re-election of Mr Whiddon.

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## 4. RESOLUTION 3 – APPROVAL OF 10% PLACEMENT CAPACITY– SHARES

### 4.1 General

ASX Listing Rule 7.1A provides that an Eligible Entity may seek Shareholder approval at its annual general meeting to allow it to issue Equity Securities up to 10% of its issued capital over a period of up to 12 months after the annual general meeting (**10% Placement Capacity**).

The Company is an Eligible Entity.

If Shareholders approve Resolution 3, the number of Equity Securities the Eligible Entity may issue under the 10% Placement Capacity will be determined in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 (as set out in Section 4.2 below).

The effect of passing Resolution 3 will be to allow the Company to issue Equity Securities up to 10% of the Company's fully paid ordinary securities on issue under the 10% Placement Capacity during the period up to 12 months after the Meeting, without subsequent Shareholder approval and without using the Company's 15% annual placement capacity granted under ASX Listing Rule 7.1.

Resolution 3 is a special resolution. Accordingly, at least 75% of votes cast by Shareholders present and eligible to vote at the Meeting must be in favour of Resolution 3 for it to be passed.

### 4.2 ASX Listing Rule 7.1A

ASX Listing Rule 7.1A enables an Eligible Entity to seek shareholder approval at its annual general meeting to issue Equity Securities in addition to those under the Eligible Entity's 15% annual placement capacity.

An Eligible Entity is one that, as at the date of the relevant annual general meeting:

- (a) is not included in the S&P/ASX 300 Index; and
- (b) has a maximum market capitalisation (excluding restricted securities and securities quoted on a deferred settlement basis) of \$300,000,000.

The Company is an Eligible Entity as it is not included in the S&P/ASX 300 Index and has a current market capitalisation of less than \$300,000,000.

Any Equity Securities issued must be in the same class as an existing class of quoted Equity Securities. The Company currently has one class of quoted Equity Securities on issue, being the Shares (ASX Code: AOU).

The exact number of Equity Securities that the Company may issue under an approval under ASX Listing Rule 7.1A will be calculated as at the date of issue of the Equity Securities according to the following formula:

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

Where:

- A** is the number of Shares on issue 12 months before the date of issue or agreement:
  - (i) plus the number of Shares issued in the previous 12 months under an exception in ASX Listing Rule 7.2;

- (ii) plus the number of partly paid shares that became fully paid in the previous 12 months;
- (iii) plus the number of Shares issued in the previous 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; and
- (iv) less the number of Shares cancelled in the previous 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 issue or agreement to issue that are not issued with the approval of holders of Ordinary Securities under ASX Listing Rule 7.1 or 7.4.

### **4.3 Technical information required by ASX Listing Rule 7.1A**

Pursuant to and in accordance with ASX Listing Rule 7.3A, the information below is provided in relation to this Resolution 3:

(a) **Minimum Price**

The minimum price at which the Equity Securities may be issued is 75% of the volume weighted average price of Equity Securities in that class, calculated over the 15 ASX trading days on 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 ASX trading days of the date in Section 4.3(a)(i), the date on which the Equity Securities are issued.

(b) **Date of Issue**

The Equity Securities may be issued under the 10% Placement Capacity commencing on the date of the Meeting and expiring on the first to occur of the following:

- (i) 12 months after the date of this Meeting; and
- (ii) the date of approval by Shareholders of any transaction under ASX Listing Rules 11.1.2 (a significant change to the nature or scale of the Company's activities) or 11.2 (disposal of the Company's main undertaking) (after which date, an approval under ASX Listing Rule 7.1A cease to be valid),

**(10% Placement Capacity Period).**

(c) **Risk of voting dilution**

Any issue of Equity Securities under the 10% Placement Capacity will dilute the interests of Shareholders who do not receive any Shares under the issue.

If Resolution 3 is approved by Shareholders and the Company issues the maximum number of Equity Securities available under the 10% Placement Capacity, the economic and voting dilution of existing Shares would be as shown in the table below.

The table below shows the dilution of existing Shareholders calculated in accordance with the formula outlined in ASX Listing Rule 7.1A(2), on the basis of the current market price of Shares and the current number of Equity Securities on issue as at the date of this Notice.

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 Capacity.

Number of Shares on Issue	Dilution			
	Issue Price (per Share)	\$0.027 50% decrease in Issue Price	\$0.053 Current Issue Price	\$0.106 100% increase in Issue Price
<b>554,397,476</b> <b>(Current)</b>	10% voting dilution	55,439,748 Shares	55,439,748 Shares	55,439,748 Shares
	Funds raised	\$1,469,153	\$2,938,307	\$5,876,613
<b>831,596,214</b> <b>(50% increase)</b>	10% voting dilution	83,159,621 Shares	83,159,621 Shares	83,159,621 Shares
	Funds raised	\$2,203,730	\$4,407,460	\$8,814,920
<b>1,108,794,952</b> <b>(100% increase)</b>	10% voting dilution	110,879,495 Shares	110,879,495 Shares	110,879,495 Shares
	Funds raised	\$2,938,307	\$5,876,613	\$11,753,226

\*The number of Shares on issue (variable A in the formula) could increase as a result of the issue of Shares that do not require Shareholder approval (such as under a pro-rata rights issue or scrip issued under a takeover offer) or that are issued with Shareholder approval under ASX Listing Rule 7.1.

**The table above uses the following assumptions:**

1. The current shares on issue are the Shares on issue as at 27 April 2018.
2. The issue price set out above is the closing price of the Shares on the ASX on 27 April 2018.
3. The Company issues the maximum possible number of Equity Securities under the 10% Placement Capacity.
4. The Company has not issued any Equity Securities in the 12 months prior to the Meeting that were not issued under an exception in ASX Listing Rule 7.2 or with approval under ASX Listing Rule 7.1 or 7.1A.

5. The issue of Equity Securities under the 10% Placement Capacity consists only of Shares.
6. This table does not set out any dilution pursuant to approvals under ASX Listing Rule 7.1.
7. 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%.
8. 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 Capacity, based on that Shareholder's holding at the date of the Meeting. All Shareholders should consider the dilution caused to their own shareholding depending on their specific circumstances.

Shareholders should note that there is a risk that:

- (i) the market price for the Company's Shares may be significantly lower on the issue date than on the date of the Meeting; and
- (ii) the Shares may be issued at a price that is at a discount to the market price for those Shares on the date of issue.

(d) **Purpose of Issue under 10% Placement Capacity**

The Company may issue Equity Securities under the 10% Placement Capacity for the following purposes:

- (i) as cash consideration in which case the Company intends to use funds raised towards further exploration and/or development costs on the Company's existing project, the Montney Project, pursuing other acquisitions that have a strategic fit or otherwise add value to Shareholders (including expenses associated with such acquisitions) and for general working capital; or
- (ii) as non-cash consideration for the acquisition of new projects or otherwise as consideration for services rendered by non-related third parties to the Company, where it is considered appropriate by the board to do so. In such circumstances the Company will provide a valuation of the non-cash consideration as required by ASX Listing Rule 7.1A.3.

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.

(e) **Allocation under the 10% Placement Capacity**

The Company's allocation policy for the issue of Equity Securities under the 10% Placement Capacity will be dependent on the prevailing market conditions at the time of the proposed placement(s).

The recipients of the Equity Securities to be issued under the 10% Placement Capacity have not yet been determined. However, the recipients of Equity Securities could consist of current Shareholders or new investors (or both), none of whom will be related parties of the Company.

The Company will determine the recipients at the time of the issue under the 10% Placement Capacity, having regard to the following factors:

- (i) the purpose of the issue;

- (ii) alternative methods for raising funds available to the Company at that time, including, but not limited to, an entitlement issue or other offer where existing Shareholders may participate;
- (iii) the effect of the issue of the Equity Securities on the control of the Company;
- (iv) the circumstances of the Company, including, but not limited to, the financial position and solvency of the Company;
- (v) prevailing market conditions; and
- (vi) advice from corporate, financial and broking advisers (if applicable).

Further, if the Company is successful in acquiring new resources, assets or investments, it is likely that the recipients under the 10% Placement Capacity will be vendors of the new resources, assets or investments.

(f) **Previous Approval under ASX Listing Rule 7.1A**

The Company has not previously obtained approval from its Shareholders pursuant to ASX Listing Rule 7.1A.

(g) **Compliance with ASX Listing Rules 7.1A.4 and 3.10.5A**

When the Company issues Equity Securities pursuant to the 10% Placement Capacity, it will give ASX:

- (i) A list of the recipients of the Equity Securities and the number of Equity Securities issued to each (not for release to the market), in accordance with ASX Listing Rule 7.1A.4; and
- (ii) The information required by ASX Listing Rule 3.10.5A for release to the market.

#### **4.4 Voting Exclusion**

A voting exclusion statement is included in this Notice. As at the date of this Notice, the Company has not invited any existing Shareholder to participate in an issue of Equity Securities under ASX Listing Rule 7.1A. Therefore, no existing Shareholders will be excluded from voting on Resolution 3.

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## **5. RESOLUTION 4 – RATIFICATION OF PRIOR ISSUE OF SHARES**

### **5.1 Background**

On 16 March 2018 the Company announced that it had received binding commitments to raise a total of A\$3,517,625 (before costs) through an over-subscribed private placement to various sophisticated and professional investors (**Placement**). The Placement was to be completed through the issue of 63,956,820 Shares (**Placement Shares**) at an issue price of \$0.055 per Share, which represented a 9.8% discount to the closing price of Shares on the day prior to announcement of the Placement.

The Placement was completed by the Company on 27 March 2018. The Placement Shares were issued within the Company's 15% annual limit permitted under ASX Listing Rule 7.1 without the need for Shareholder approval.

ASX Listing Rule 7.1 provides that a company must not (subject to specified exceptions), without the approval of shareholders, issue or agree to issue during any 12-month period any equity securities, or other securities with rights to conversion to equity (such as an option), if the number of those securities exceeds 15% of the number of ordinary securities on issue at the commencement of that 12-month period.

ASX Listing Rule 7.4 provides that where a company in general meeting ratifies a previous issue of securities made pursuant to ASX Listing Rule 7.1, providing that the previous issue did not breach ASX Listing Rule 7.1, the issue of those securities will be deemed to have been with shareholder approval for the purpose of ASX Listing Rule 7.1.

Resolution 4 seeks Shareholder approval for the ratification of the issue of the Placement Shares pursuant to ASX Listing Rule 7.4. The effect of Shareholders passing Resolution 4 will be to restore the Company's ability to issue securities within the 15% placement capacity under ASX Listing Rule 7.1 during the next 12 months.

Resolution 4 is an ordinary resolution.

## **5.2 Information required by ASX Listing Rule 7.5**

For the purposes of ASX Listing Rule 7.5 information regarding the issue of the Placement Shares is provided as follows:

- (a) The Company issued a total of 63,956,820 Shares on 27 March 2018.
- (b) The Placement Shares were issued at \$0.055 per share to raise a total of A\$3,517,625 (before costs). Funds raised from the Placement have been or will be used for expenditure on the Montney Project, corporate administration costs and for general working capital purposes.
- (c) The Placement Shares are fully paid ordinary shares in the capital of the Company and rank equally in all respects with the Company's existing Shares on Issue.
- (d) The Placement Shares were issued to various sophisticated and professional investors, none of whom is a related party of the Company.
- (e) A voting exclusion statement is included in the Notice.

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## **6. RESOLUTION 5 – APPROVAL TO ISSUE SHARES TO TSVM OPTIONHOLDERS**

### **6.1 Background**

The Company, through its wholly owned Canadian subsidiary, has entered into a farm-in agreement (**Farm-in Agreement**) in relation to oil and gas licences prospective for the Montney formation in British Columbia, Canada (**Montney Project**). Under the Farm-in Agreement, the Company has a right to earn up to a 55% interest in the Montney Project by spending up to C\$25 million. Refer to the Company's prospectus dated 30 June 2017, supplementary prospectus dated 28 July 2017 and ASX announcements dated 31 January 2018 and 31 March 2018 for further details on the Montney Project.

As announced on 7 March 2018, the Company has completed stage 1 of the farm-in to earn a 20% working interest in the Montney Project. The remaining interests in Montney Project are currently owned by TSVM (48%) and TMKM (32%).

As announced by the Company on 1 May 2018, the Company has made takeover bids to acquire:

- (a) the entire issued capital of TSVM; and



- (b) the entire issued capital of TMKM which the Company does not already own (the Company currently has a shareholding of approximately 11% in TMKM),

(together, the **Proposed Transaction**).

Pursuant to the Proposed Transaction, the Company will acquire all of the TSVM shares and TMKM shares on issue (which it does not already own) in exchange for the issue of 3.33 Shares for every TSVM share and 2.1 Shares for every TMKM share. Refer to the Company's announcement on 1 May 2018 for further details in relation to the Proposed Transaction.

Contemporaneous with the Proposed Transaction, the Company also proposes to enter into private treaty agreements with the TSVM Optionholders and the TMKM Optionholders, pursuant to which the Company has agreed to acquire:

- (a) all of the TSVM Options in exchange for the issue of 1 Share for every option; and
- (b) all of the TMKM Options in exchange for 0.9 Share for every option.

TSVM has a total of 2,800,000 TSVM Options on issue. Accordingly, the Company proposes to issue the TSVM Optionholders a total of 2,800,000 Shares for the acquisition of their TSVM Options.

Resolution 5 seeks Shareholder approval pursuant to ASX Listing Rule 7.1 for the proposed issue of 2,800,000 Shares to the TSVM Optionholders. If the Company does not enter into private treaty agreements with the TSVM Optionholders prior to the Meeting, Resolution 5 will be withdrawn from the business of the Meeting and the Company will immediately advise the market accordingly.

A summary of ASX Listing Rule 7.1 is set out in Section 5.1. Given that none of the exceptions contained in ASX Listing Rule 7.1 apply, Shareholder approval is being sought under Listing Rule 7.1 for Resolution 5 to preserve the Company's 15% capacity under ASX Listing Rule 7.1 should the Company proceed with the issue of 2,800,000 Shares to the TSVM Optionholders.

Resolution 5 is an ordinary resolution which is subject to the entry into private treaty agreements with the TSVM Optionholders prior to the Meeting.

## **6.2 Information required by ASX Listing Rule 7.3**

For the purposes of ASX Listing Rule 7.3 information regarding the proposed issue of Shares to the TSVM Optionholders is provided as follows:

- (a) The maximum number of Shares that may be issued under Resolution 5 is 2,800,000 Shares.
- (b) The Company will issue any Shares no later than three months after the date of the Meeting (or such later date to the extent permitted by ASX waiver or modification of the ASX Listing Rules) and it is intended that all Shares will be issued on the same date.
- (c) The Shares are proposed to be issued to the TSVM Optionholders as consideration for the acquisition of their TSVM Options. Accordingly, no funds will be raised from this proposed issue of Shares.
- (d) The Shares are proposed to be issued to the TSVM Optionholders (or their nominees), none of whom is a related party of the Company.
- (e) Any Shares issued will be fully paid ordinary shares in the capital of the Company ranking equally in all respects with the Company's existing Shares on issue.
- (f) A voting exclusion statement is included in the Notice.

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## **7. RESOLUTION 6 – APPROVAL TO ISSUE SHARES TO NON-RELATED TMKM OPTIONHOLDERS**

### **7.1 Background**

As outlined in Section 6.1, contemporaneous with the Proposed Transaction the Company proposes to enter into private treaty agreements with the TSVM Optionholders and TMKM Optionholders to acquire their options in exchange for the issue of Shares to them.

In respect of TMKM, Company proposes to acquire all of the TMKM Options in exchange for the issue of 0.9 Share for every option.

TMKM has a total of 18,000,000 TMKM Options on issue. Accordingly, the Company proposes to issue the TMKM Optionholders a total of 16,200,000 Shares for the acquisition of their TSVM Options.

Of the 18,000,000 TMKM Options on issue, 2,400,000 TMKM Options are held by Havoc. Havoc is a limited liability partnership which is owned by five members, being Directors Alan Stein and Jonathan Taylor and three other members of the Company's management team. The consideration payable to Havoc for the acquisition of their TMKM Options will be the issue of a total of 2,160,000 Shares. Havoc proposes to distribute the consideration received to its members at completion of the Proposed Transaction. Of the Shares proposed to be issued in respect of the TMKM Options held by Havoc, Directors Mr Stein and Mr Taylor will each be issued 675,000 shares as Havoc members with the balance being issued to the other Havoc members.

Accordingly, the Company proposes to issue a total of:

- (a) 14,850,000 Shares to the TMKM Non-Related Optionholders for the acquisition of their TMKM Options; and
- (b) 1,350,000 Shares to Mr Stein and Mr Taylor in relation to the acquisition of certain TMKM Options held by Havoc.

Shareholder approval for the issue of Shares to Mr Stein and Mr Taylor is being sought under Resolutions 7 and 8 (see Section 8 for further details).

Resolution 6 seeks Shareholder approval pursuant to ASX Listing Rule 7.1 for the proposed issue of 14,850,000 Shares to the TMKM Non-Related Optionholders. If the Company does not enter into private treaty agreements with the TMKM Non-Related Optionholders prior to the Meeting, Resolution 6 will be withdrawn from the business of the Meeting and the Company will immediately advise the market accordingly.

A summary of ASX Listing Rule 7.1 is set out in Section 5.1. Given that none of the exceptions contained in ASX Listing Rule 7.1 apply, Shareholder approval is being sought under Listing Rule 7.1 for Resolution 6 to preserve the Company's 15% capacity under ASX Listing Rule 7.1 should the Company proceed with the issue of 14,850,000 Shares to the TMKM Non-Related Optionholders.

Resolution 6 is an ordinary resolution which is subject to the entry into private treaty agreements with the TMKM Non-Related Optionholders prior to the Meeting.

## 7.2 Information required by ASX Listing Rule 7.3

For the purposes of ASX Listing Rule 7.4 information regarding the proposed issue of Shares to TMKM Non-Related Optionholders is provided as follows:

- (a) The maximum number of Shares that may be issued under Resolution 6 is 14,850,000 Shares.
- (b) The Company will issue any Shares no later than three months after the date of the Meeting (or such late date to the extent permitted by ASX waiver or modification of the ASX Listing Rules) and it is intended that all Shares will be issued on the same date.
- (c) The Shares are proposed to be issued to the TMKM Non-Related Optionholders as consideration for the acquisition of their TMKM Options. Accordingly, no funds will be raised from this proposed issue of Shares.
- (d) The Shares are proposed to be issued to the TMKM Non-Related Optionholders (or their nominees), none of whom is a related party of the Company.
- (e) Any Shares issued will be fully paid ordinary shares in the capital of the Company ranking equally in all respects with the Company's existing Shares on issue.
- (f) A voting exclusion statement is included in the Notice.

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## 8. RESOLUTIONS 7 AND 8 – APPROVAL OF ISSUE OF SHARES TO DIRECTORS

### 8.1 Background

As outlined in Section 7.1, the Company proposes issue 1,350,000 Shares to Directors Alan Stein and Jonathan Taylor in relation to the acquisition of certain TMKM Options held by Havoc.

Shareholder approval for the proposed issue of 14,850,000 Shares to the TKMK Non-Related Optionholders is being sought under Resolution 6 (see Section 7 for further details).

Resolutions 7 and 8 seek Shareholder approval pursuant to ASX Listing Rule 10.11 for the proposed issue of 675,000 Shares to each of Mr Stein and Mr Taylor. If the Company does not enter into a private treaty agreements with Havoc in respect of its TMKM Options prior to the Meeting, Resolutions 7 and 8 will be withdrawn from the business of the Meeting and the Company will immediately advise the market accordingly.

ASX Listing Rule 10.11 provides that a company must not (subject to specified exceptions) issue or agree to issue equity securities to a related party without the approval of shareholders. Messrs Stein and Taylor are related parties of the Company by virtue of being Directors and, therefore, approval is required under ASX Listing Rule 10.11 for the issue of Shares to them.

If approval is given under ASX Listing Rule 10.11, Shareholder approval is not required under ASX Listing Rule 7.1 (a summary of ASX Listing Rule 7.1 is set out in Section 5.1). Shareholder approval of the proposed issue of Shares to Messrs Stein and Taylor under Resolutions 7 and 8 mean that these issues will not reduce the Company's 15% placement capacity under ASX Listing Rule 7.1 should the Company proceed with the issue of 675,000 Shares to each of them.

Resolutions 7 and 8 are ordinary resolutions which are subject to the entry into a private treaty agreement with Havoc in respect of its TMKM Options prior to the Meeting.

## **8.2 Information required by ASX Listing Rule 10.3**

For the purposes of ASX Listing Rule 10.3 information regarding the proposed issue of the Shares to Messrs Stein and Taylor is provided as follows:

- (a) The maximum number of Shares that may be issued under Resolutions 7 and 8 is a total of 1,350,000 Shares, comprised of 675,000 Shares to each of Alan Stein and Jonathan Taylor.
- (b) The Company will issue any Shares no later than one month after the date of the Meeting (or such late date to the extent permitted by ASX waiver or modification of the ASX Listing Rules) and it is intended that all Shares will be issued on the same date. The Company intends to apply to ASX for a waiver of Listing Rule 10.13.3 to permit it to issue Shares pursuant to Resolutions 7 and 8 no later than three months following the Meeting. There is no guarantee that ASX will grant the waiver. However, if ASX grants the waiver, the Company will advise the market accordingly.
- (c) Alan Stein and Jonathan Taylor are related parties of the Company by virtue of being Directors.
- (d) The Shares proposed to be issued to Messrs Stein and Taylor in consideration for the acquisition of certain TMKM Options held by Havoc. Accordingly, no funds will be raised from this issue of Shares.
- (e) Any Shares issued will be fully paid ordinary shares in the capital of the Company ranking equally in all respects with the Company's existing Shares on issue.
- (f) A voting exclusion statement is included in the Notice.

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## **9. RESOLUTION 9 – SECTION 195 APPROVAL**

### **9.1 Background**

Section 195 of the Corporations Act essentially provides that a director of a public company may not vote or be present during meetings of directors when matters in which that director holds a "material personal interest" are being considered.

Directors Mr Jonathan Taylor and Mr Alan Stein have a material personal interest in the outcome of Resolutions 7 and 8. In the absence of this Resolution 9, the Directors may not be able to form a quorum at directors meetings necessary to carry out the terms of Resolutions 7 and 8.

The Directors have accordingly exercised their right under section 195(4) of the Corporations Act to put the issue to Shareholders to resolve upon.

Resolution 9 is an ordinary resolution and is subject to Resolutions 7 and 8 being passed.

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## **10. ENQUIRIES**

Shareholders are required to contact the Company Secretary, Mr James Bahen, on (+61 8) 6500 3270 if they have any queries in respect of the matters set out in these documents.

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## GLOSSARY

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**\$** means Australian dollars.

**10% Placement Capacity** has the meaning given to that term in section 4.1 of the Explanatory Statement.

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

**ASIC** means the Australian Securities and Investments Commission.

**ASX** means ASX Limited.

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

**Board** means the current board of directors of the Company.

**Chair** means the Chair of the Meeting.

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

- (a) a spouse or child of the member;
- (b) a child of the member's spouse;
- (c) a dependent of the member or the member's spouse;
- (d) 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;
- (e) a company the member controls; or
- (f) a person prescribed by the *Corporations Regulations 2001 (Cth)*.

**Company** means Calima Energy Limited (ACN 117 227 086).

**Constitution** means the Company's constitution.

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

**Directors** means the current 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.

**Eligible Entity** means an entity that, at the date of the relevant general meeting:

- (a) is not included in the S&P/ASX 300 Index; and
- (b) has a maximum market capitalisation (excluding restricted securities and securities quoted on a deferred settlement basis) of \$300,000,000.

**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.

**Explanatory Statement** means the explanatory statement accompanying the Notice.

**Havoc** means Havoc Partners LLC.

**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.

**Montney Project** has the meaning in Section 6.1.

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

**Ordinary Securities** has the meaning set out in the ASX Listing Rules.

**Placement** has the meaning in Section 5.1.

**Placement Shares** has the meaning in Section 5.1.

**Proposed Transaction** has the meaning in Section 6.1.

**Proxy Form** means the proxy form accompanying the Notice.

**Remuneration Report** means the Remuneration Report set out in the Directors' Report section of the Company's annual financial report for the year ended 31 December 2017.

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

**Schedule** means a schedule to this Notice.

**Section** means a section contained in this Explanatory Statement.

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

**Shareholder** means a holder of a Share.

**TMKM** means TMK Montney Limited (ACN 607 112 710).

**TMKM Option** means an option to acquire a fully paid ordinary share in TMKM.

**TMKM Optionholder** means the holder of TMKM Options.

**TMKM Non-Related Optionholder** means a holder of TMKM Options or a person who is being issued Shares for the acquisition of TMKM Options and who is not a related party of the Company.

**TSVM** means TSV Montney Limited (ACN 607 451 310).

**TSVM Option** means an option to acquire a fully paid ordinary share in TSVM.

**TSVM Optionholder** means a holder of TSVM Options.

**Variable A** means "A" as set out in the calculation in Section 4.2.

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

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# CALIMA

E N E R G Y

ABN 17 117 227 086

## Lodge your vote:

 **Online:**  
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

**For all enquiries call:**  
(within Australia) 1300 850 505  
(outside Australia) +61 3 9415 4000

CE1

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

## Proxy Form

XX



### 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: I9999999999 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 2:00pm (WST) 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

I ND

# 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 Calima 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 Calima Energy Limited to be held at the Country Women's Association of WA, 1176 Hay Street, West Perth, Western Australia on Thursday, 31 May 2018 at 2:00pm (WST) 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 and 8 (except where I/we have indicated a different voting intention below) even though Resolutions 1, 7 and 8 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 and 8 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 Director – Mr Glenn Whiddon	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Approval of 10% Placement Capacity– Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Ratification of prior issue of Placement Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5	Approval to issue Shares to TSVM Optionholders	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6	Approval to issue Shares to TMKM Non-related Optionholders	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 7	Approval to issue Shares to Director Alan Stein	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 8	Approval to issue Shares to Director Jonathan Taylor	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 9	Section 195 approval	<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 / / \_\_\_\_\_