
CALIMA ENERGY LIMITED

ACN 117 227 086

NOTICE OF ANNUAL GENERAL MEETING

TIME: 3:30pm (WST)

DATE: 30 May 2019

PLACE: Claremont Football Club
3 Davies Road
Claremont WA 6010

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

CONTENTS PAGE

Business of the Meeting (setting out the proposed resolutions)	3
Explanatory Statement (explaining the proposed resolutions)	7
Glossary	18
Proxy Form	Enclosed

IMPORTANT INFORMATION

TIME AND PLACE OF MEETING

Notice is given that the Annual General Meeting of the Shareholders to which this Notice of Meeting relates will be held at 3:30pm (WST) on 30 May 2019 at:

Claremont Football Club
3 Davies Road
Claremont WA 6010

YOUR VOTE IS IMPORTANT

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

VOTING ELIGIBILITY

The Directors have determined pursuant to Regulations 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 at 5:00pm (WST) on 28 May 2019.

VOTING IN PERSON

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

VOTING BY PROXY

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

In accordance with section 249L of the Corporations Act, 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

ORDINARY BUSINESS**Financial Statements and Reports**

To receive and consider the annual financial report of the Company for the financial year ended 31 December 2018 together with the declaration of the Directors, the Directors' Report, the Remuneration Report and the auditor's report.

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 2018."

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

Voting Prohibition Statement:

In accordance with section 250R of the Corporations Act, 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.

2. RESOLUTION 2 – RE-ELECTION OF DIRECTOR – MR NEIL HACKETT

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 Neil Hackett, a Director, retires by rotation, and being eligible and offering himself for election, is re-elected as a Director."

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 any 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 by reason of being a holder of ordinary securities in the Company) or any associates of those persons.

However, the Company need not disregard a vote if:

- (a) 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
- (b) it is cast by the Chair as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

4. RESOLUTION 4 – RATIFICATION OF PRIOR ISSUE OF SHARES TO CANADIAN ADVISOR

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 214,440 Shares to 2142474 Alberta Ltd 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 2142474 Alberta Ltd or any of its 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 directions on the Proxy Form; or
- (b) it is cast by the Chair as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

5. RESOLUTION 5 – RATIFICATION OF PRIOR GRANT OF NEW OPTIONS TO CONSULTANT

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 grant by the Company of 2,000,000 New Options to Mark Freeman 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 Mark Freeman or any of his 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 directions on the Proxy Form; or
- (b) it is cast by the Chair 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.

6. RESOLUTION 6 – RATIFICATION OF PRIOR GRANT OF ADVISOR OPTIONS TO CORPORATE ADVISOR

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 grant by the Company of 750,000 Advisor Options to Euroswiss Capital Partners Inc 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 Euroswiss Capital Partners Inc or any of its 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 directions on the Proxy Form; or
- (b) it is cast by the Chair as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

7. RESOLUTION 7 – APPROVAL TO ISSUE SHARES TO CANADIAN CONSULTANT

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

“That, for the purpose of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue 1,180,587 Shares to CWL Energy or its nominees on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion

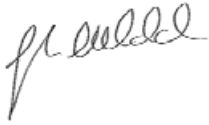
The Company will disregard any votes cast in favour of this Resolution by or on behalf of CWL Energy or its nominees or any associates of those persons.

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 directions on the Proxy Form; or
- (b) it is cast by the Chair 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.

DATED: 29 APRIL 2019

BY ORDER OF THE BOARD

A handwritten signature in black ink, appearing to read 'G. Whiddon', written in a cursive style.

MR GLENN WHIDDON
CHAIRMAN

EXPLANATORY STATEMENT

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

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 2018 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 or by contacting the Company on +61 (8) 6500 3270.

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 2018.

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 1. 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.

3. RESOLUTION 2 – RE-ELECTION OF DIRECTOR – MR NEIL HACKETT

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 Neil Hackett, the Director longest in office since his last election on 31 May 2017 retires by rotation at this Meeting and, being eligible seeks re-election.

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

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

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: CE1).

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)	\$0.020 50% decrease in Issue Price	\$0.040 Current Issue Price	\$0.08 100% increase in Issue Price
1,444,885,070 (Current)	10% voting dilution	144,488,507 Shares	144,488,507 Shares	144,488,507 Shares
	Funds raised	\$2,889,770	\$5,779,540	\$11,559,081
2,167,327,605 (50% increase)	10% voting dilution	216,732,761 Shares	216,732,761 Shares	216,732,761 Shares
	Funds raised	\$4,334,655	\$8,669,310	\$17,338,621
2,889,770,140 (100% increase)	10% voting dilution	288,977,014 Shares	288,977,014 Shares	288,977,014 Shares
	Funds raised	\$5,779,540	\$11,559,081	\$23,118,161

*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 23 April 2019.
2. The issue price set out above is the closing price of the Shares on the ASX on 23 April 2019.
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 previously obtained approval from its Shareholders pursuant to ASX Listing Rule 7.1A at its Annual General Meeting held on 31 May 2018.

In the 12 months preceding the date of the Meeting, the Company issued a total of 892,237,546 Equity Securities which represent 145.11% of the total number of Equity Securities on issue at the commencement of this 12 month period of which 97,222,222 Equity Securities were issued under the 10% Placement Capacity which represent 15.82% of the total number of Equity Securities on issue at the commencement of this 12 months period). Further details of the Equity Securities issued by the Company during the 12 month period preceding the date of the Meeting are set out in Schedule 1.

The Company's cash balance on 31 May 2018 was approximately \$4.4 million. The Company raised a total of \$25 million (before costs) from the issues in the 12 months preceding the Meeting. The Company has since spent \$17.8 million on drilling and testing three wells on the Calima Lands within the Montney Project and general working capital. The Company's cash balance as at 24 April 2019 was approximately \$8.0 million. The remaining funds will be used to complete the drilling and testing three wells on the Calima Lands and for general working capital.

(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.

5. RESOLUTION 4 – RATIFICATION OF PRIOR ISSUE OF SHARES TO CANADIAN ADVISOR

5.1 Background

The Company has engaged 2142474 Alberta Ltd (the Canadian Advisor) to provide Canadian legal services to the Company's subsidiary Calima Energy Inc. On 6 November 2018, the Company issued 214,440 Shares to the Canadian Advisor in lieu of CAD10,000 worth of fees payable by the Company to the Canadian Advisor under its 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 fully paid 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, provided that the previous issue did not breach ASX Listing Rule 7.1, the issue of those securities will be deemed to have been made with shareholder approval for the purpose of ASX Listing Rule 7.1.

Resolution 4 seeks Shareholder approval for the ratification of the issue of Shares to the Canadian Advisor 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 without obtaining prior Shareholder approval.

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 Shares under Resolution 4 is provided as follows:

- (a) 214,440 Shares were issued on 6 November 2018.
- (b) The Shares were issued for nil cash consideration in lieu of CAD10,000 worth of fees for Canadian legal services provided to the Company's subsidiary Calima Energy Inc. Accordingly, no funds were raised from the issue of the Shares.
- (c) The 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 Shares were issued to 2142474 Alberta Ltd who is not a related party of the Company.
- (e) A voting exclusion statement is included in the Notice.

6. RESOLUTION 5 – RATIFICATION OF PRIOR GRANT OF NEW OPTIONS TO CONSULTANT

6.1 Background

Mark Freeman was previously the Executive Director of TSVM. Following the Company completing its acquisition of TSVM and TMKM in 2018, the Company retained Mr Freeman as consultant to provide services to the Company to

facilitate the integration of TSVM and TMKM into the Company. The Company agreed to pay Mr Freeman \$5,000 per month for these services and also agreed to grant Mr Freeman 2,000,000 New Options, each exercisable at \$0.07 on or before 31 December 2019 as part of these consultancy arrangements.

On 6 November 2018, the Company granted 2,000,000 New Options to Mark Freeman as part of the fees payable to Mr Freeman for providing consultancy services to the Company. The Company granted such New Options to Mr Freeman under its 15% annual limit permitted under ASX Listing Rule 7.1 without the need for Shareholder approval.

A summary of ASX Listing Rules 7.1 and 7.4 are set out in Section 5.1.

Resolution 5 seeks Shareholder approval for the ratification of the grant of the 2,000,000 New Options to Mr Freeman pursuant to ASX Listing Rule 7.4.

The effect of Shareholders passing Resolution 5 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 without obtaining prior Shareholder approval.

Resolution 5 is an ordinary resolution.

6.2 Information required by ASX Listing Rule 7.5

For the purposes of ASX Listing Rule 7.5 information regarding the grant of New Options under Resolution 5 is provided as follows:

- (a) 2,000,000 New Options were granted on 6 November 2018.
- (b) The New Options were granted for nil cash consideration as part of the fees payable for consultancy services provided to the Company. Accordingly, no funds were raised from the grant of the New Options.
- (c) The New Options are each exercisable at \$0.07 on or before 31 December 2019. Full terms and conditions of the New Options are set out in Schedule 2. Shares issued on exercise of the New Options 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.
- (d) The New Options were granted to Mark Freeman who is not a related party of the Company.
- (e) A voting exclusion statement is included in the Notice.

7. RESOLUTION 6 – RATIFICATION OF PRIOR GRANT OF ADVISOR OPTIONS TO CORPORATE ADVISOR

7.1 Background

On 5 November 2018, the Company granted 750,000 Advisor Options to Euroswiss Capital Partners Inc, each exercisable at \$0.07 on or before 6 November 2021, as part of the fees payable for German corporate advisory services provided to the Company under its 15% annual limit permitted under ASX Listing Rule 7.1 without the need for Shareholder approval.

The above Advisor Options are in addition to \$12,000 paid by the Company to Euroswiss Capital Partners Inc for providing German corporate advisory services to the Company on an hoc basis.

A summary of ASX Listing Rules 7.1 and 7.4 are set out in Section 5.1.

Resolution 6 seeks Shareholder approval for the ratification of the grant of the Advisor Options to Euroswiss Capital Partners Inc pursuant to ASX Listing Rule 7.4.

The effect of Shareholders passing Resolution 6 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 without obtaining prior Shareholder approval.

Resolution 6 is an ordinary resolution.

7.2 Information required by ASX Listing Rule 7.5

For the purposes of ASX Listing Rule 7.5 information regarding the grant of Advisor Options under Resolution 6 is provided as follows:

- (a) 750,000 Advisor Options were granted on 6 November 2018.
- (b) The Advisor Options were granted for nil cash consideration as part of the fees for German corporate advisory services provided to the Company. Accordingly, no funds were raised from the grant of the Advisor Options.
- (c) The Advisor Options are each exercisable at \$0.07 on or before 6 November 2021. Full terms and conditions of the Advisor Options are set out in Schedule 3. Shares issued on exercise of the Advisor Options 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.
- (d) The Advisor Options were granted to Euroswiss Capital Partners Inc who is not a related party of the Company.
- (e) A voting exclusion statement is included in the Notice.

8. RESOLUTION 7 – APPROVAL TO ISSUE SHARES TO CANADIAN CONSULTANT

8.1 Background

As announced by the Company on 28 February 2018, the Company has appointed CWL Energy to manage its Canadian operations by providing in-country project management and project support services to the Company. The contractual arrangements with CWL Energy include short and long term financial incentives. Under the short term incentives, CWL Energy may elect to take all or a portion of their remuneration, on a six-monthly rolling basis, in Shares subject to Shareholder approval. The issue price of Such shares is equal to the 30 day VWAP for Shares prior to the start of each 6-month period under the short term incentive regime. The CAD:AUD exchange rate applicable to each short term incentive period is equal to the CAD:AUD exchange rate quoted on Bloomberg on the last day of each 6-month period.

CWL Energy has elected to receive CAD5,000 per month in Shares rather than in cash for the two 6 month periods from 28 February 2018 to 27 August 2018 and 28 August 2018 to 27 February 2019. Accordingly, the Company has agreed, subject to Shareholder approval, to issue a total of 1,180,587 Shares (**Incentive Shares**) to CWL Energy pursuant to the short term incentive arrangements with CWL Energy. Resolution 7 seeks Shareholder approval pursuant to ASX Listing Rule 7.1 for the issue of the Incentive Shares to CWL Energy as part of the fees payable to CWL Energy for in-country project management services provided to the Company.

A summary of ASX Listing Rule 7.1 is set out in Section 5.1.

The effect of Shareholders passing Resolution 7 will be to allow the Company to issue the Incentive Shares during the period of 3 months after the Meeting (or a

longer period, if allowed by ASX) without using the Company's 15% annual placement capacity.

Resolution 7 is an ordinary resolution.

8.2 Information required by ASX Listing Rule 7.3

For the purposes of ASX Listing Rule 7.3 information regarding the issue of Shares under Resolution 7 is provided as follows.

- (a) The maximum number of Shares to be issued under Resolution 7 is 1,180,587 Shares.
- (b) The Incentive Shares will be issued for nil cash consideration as part of the fees for Canadian project management services provided to the Company. Accordingly, no funds will be raised from the issue of the Incentive Shares.
- (c) The Incentive 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 Incentive Shares will be issued to CWL Energy who is not a related party of the Company.
- (e) A voting exclusion statement is included in the Notice.

9. 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.

GLOSSARY

\$ means Australian dollars.

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

Advisor Option means an Option on the terms and conditions in Schedule 3.

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.

Canadian Advisor means 2142474 Alberta Ltd.

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).

CWL Energy means CWL Energy Management Ltd.

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.

and controlling the activities of the Company, directly or indirectly, including any director (whether executive or otherwise) of the Company.

Incentive Shares has the meaning given in Section 8.1.

New Option means an Option on the terms and conditions set out in Schedule 2.

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.

Option means an option to acquire a Share.

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

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 2018.

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 Ltd (now de-registered).

TSVM means TSV Montney Ltd (now de-registered)

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.

SCHEDULE 1 – ISSUES OF EQUITY SECURITIES SINCE 31 MAY 2018

Date	Quantity	Class	Recipients	Issue price and discount to Market Price ¹ if applicable	Form of Consideration
29 June 2018	2,000,000	Shares ²	GTP Legal	No issue price (non-cash consideration).	Issued to legal advisors in lieu of fees for legal services provided in relation to the TSVM and TMKM takeovers Current value: \$80,000 ³
13 July 2018	1. 130,261,287 2. 16,200,000 3. 2,878,692	1. Shares ² 2. Shares ² 3. Shares ²	1. Issued to the Shareholders of TMK Montney who accepted the TMKM Take over on or before the closing date 2. Issued to the TMK Montney Option holders 3. Issued to the Shareholders of TMK Montney who did not accept the TMKM Take over on or before the closing date	1. No issue price (non-cash consideration). Issued pursuant to the Company's takeover of all fully paid ordinary shares in TMK Montney Ltd as set out in the company's Bidders Statement dated 15 May 2018 2. No issue price (non-cash consideration). Issued pursuant to the Company's private treaty offers to acquire all of the options in TMK Montney Ltd 3. No issue price (non-cash consideration). Issued pursuant to the Company's takeover of all fully paid ordinary shares in TMK Montney Ltd as set out in the company's Bidders Statement dated 15 May 2018	1. Shares issued for Consideration for the acquisition of TMK Montney Limited Current value: \$5,210,451 ³ 2. Shares issued for Consideration to acquire the options in TMK Montney Ltd Current value: \$648,000 ³ 3. Shares issued for Consideration for the acquisition of TMK Montney Limited Current value: \$115,148 ³
27 July 2018	1. 249,664,194 2. 2,800,000 3. 19,005,970 4. 3,500,000	1. Shares ² 2. Shares ² 3. Shares ² 4. Shares ²	1. Issued to the Shareholders of TSV Montney who accepted the TSVM Take over on or before the closing date 2. Issued to the TSV Montney Option holders 3. Issued to the Shareholders of TSV Montney who did not accept the TSVM Take over on or before the closing date 4. Euroz Securities	1. No issue price (non-cash consideration). Issued pursuant to the Company's takeover of all fully paid ordinary shares in TSV Montney Ltd as set out in the company's Bidders Statement dated 15 May 2018 2. No issue price (non-cash consideration). Issued pursuant to the Company's private treaty offers to acquire all of the options in TSV Montney Ltd. 3. No issued price non-cash consideration). Issued pursuant to the Company's takeover of all fully paid ordinary shares in TSV Montney Ltd as set out in the company's Bidders Statement dated 15 May 2018 4. No issue price (non-	1. Shares issued for Consideration for the acquisition of TSV Montney Limited Current value: \$9,985,568 ³ 2. Shares issued for Consideration to acquire the options in TSV Montney Ltd Current value: \$112,000 ³ 3. Shares issued for Consideration for the acquisition of TMK Montney Limited Current value: \$760,239 ³ 4. Issued to Euroz in consideration for corporate advisory services provided in relation to the TSVM and TMKM takeovers Current value: \$140,000 ³

			Limited	cash consideration).	
24 August 2018	236,111,111	Shares ²	Various sophisticated, professional or institutional investors, none of whom is a related party of the Company.	\$0.054 per share	The Company raised: \$12,750,000 (before costs), all of which has been used by the Company to drill and test three wells on the Calima Lands within the Montney Project. Current value: \$9,444,444 ³
8 October 2018	226,851,852	Shares ²	Various sophisticated, professional or institutional investors, none of whom is a related party of the Company.	\$0.054 per share	The Company raised \$12,250,000 (before costs). To date, the Company has spent approximately \$5,050,000 on drilling and testing work on three wells on the Calima Lands within the Montney Project. The remaining approximately \$7,200,000 will be used by the Company on further on drilling and testing work on three wells on the Calima Lands within the Montney Project. Current value: \$9,074,074 ³
6 November 2018	1. 214,440 2. 750,000, 3. 2,000,000	1. Shares ² 2. Unlisted options 3. Unlisted options	1. 2142474 Alberta Ltd 2. Euro Swiss Capital Partners 3. Mark Freeman	1. No issue price (non-cash consideration). 2. No issue price (non-cash consideration). 3. No issue price (non-cash consideration)	1. Issued to advisor in consideration for Canadian legal services provided Current value: \$8,578 ³ 2. Issued to an advisor in consideration for corporate advisory services provided Current value: \$9,367 ⁴ 3. Issued to an advisor in consideration for consultancy services provided Current value: \$10,724 ⁴

Notes:

1. Market Price means the closing price on ASX (excluding special crossings, overnight sales and exchange traded option exercises). For the purposes of this table the discount is calculated on the Market Price on the last trading day on which a sale was recorded prior to the date of issue of the relevant Equity Securities.
2. Fully paid ordinary shares in the capital of the Company, ASX Code: CE1 (terms are set out in the Constitution).
3. In respect of quoted Equity Securities the value is based on the closing price of Shares \$0.04 on the ASX on 23 April 2019.
4. The value of these unquoted Equity Securities is measured using the Black & Scholes option pricing model. Measurement inputs include the Share price on the measurement date, the exercise price, the term of the security, the impact of dilution, the expected volatility of the underlying Share (based on weighted average historic volatility adjusted for changes expected due to publicly available information), the expected dividend yield and the risk free interest rate for the term of the option. No account is taken of any performance conditions included in the terms of the security other than market based performance conditions (i.e. conditions linked to the price of shares).
5. This is a statement of current intentions as at the date of this Notice. As with any budget, intervening events and new circumstances have the potential to affect the manner in which the funds are ultimately applied. The Board reserves the right to alter the way the funds are applied on this basis.

SCHEDULE 2 – TERMS AND CONDITIONS OF NEW OPTIONS

- (a) A New Option entitles the holder to subscribe for one Share upon exercise of the New Option.
- (b) The New Options each have an exercise price of \$0.07 (**Exercise Price**) and an expiry date of 31 December 2019 (**Expiry Date**).
- (c) The New Options are exercisable at any time on or prior to the Expiry Date.
- (d) Subject to paragraph (e) below, the New Options may be exercised by notice in writing to the Company (**Notice of Exercise**) and payment of the Exercise Price for each New Option being exercised. Any Notice of Exercise of a New Option received by the Company will be deemed to be a notice of the exercise of that New Option as at the date of receipt.
- (e) Shares issued on exercise of the New Options will rank equally with the then shares of the Company.
- (f) Application will be made by the Company to ASX for quotation of the Shares issued upon the exercise of the New Options.
- (g) After a New Option is validly exercised, the Company must, within, 30 days of the notice of exercise and receipt of cleared funds equal to the sum payable on the exercise of the New Option:
 - (i) issue the Share; and
 - (ii) do all such acts, matters and things to obtain the grant of official quotation of the Share on ASX no later than 5 business days after issuing the Shares.
- (h) There are no participation rights or entitlements inherent in the New Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the New Options. However, the Company will give holders of the New Options notice of the proposed issue prior to the date for determining entitlements to participate in any such issue.
- (i) If the Company makes a bonus issue of Shares or other securities to existing Shareholders (other than an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment):
 - (i) the number of Shares which must be issued on the exercise of a New Option will be increased by the number of Shares which the holder would have received if the holder had exercised the New Option before the record date for the bonus issue; and
 - (ii) no change will be made to the Exercise Price.
- (j) If the Company makes an issue of Shares pro rata to existing Shareholders (other than an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment) the Exercise Price of a New Option will be reduced according to the following formula:

$$\text{New exercise price} = O - \frac{E[P-(S+D)]}{N+1}$$

O = the old Exercise Price of the New Option.

E = the number of underlying Shares into which one New Option is exercisable.

P = average market price per Share weighted by reference to volume of the underlying Shares during the 5 trading days ending on the day before the ex rights date or ex entitlements date.

S = the subscription price of a Share under the pro rata issue.

D = the dividend due but not yet paid on the existing underlying Shares (except those to be issued under the pro rata issue).

N = the number of Shares with rights or entitlements that must be held to receive a right to one Share.

(k) If there is any reconstruction of the issued share capital of the Company, the rights of the holders may be varied to comply with the Listing Rules which apply to the reconstruction at the time of the reconstruction.

(l) The Company will not apply to ASX for quotation of the New Options.

(m) The New Options are transferable.

SCHEDULE 3 – TERMS AND CONDITIONS OF ADVISOR OPTIONS

- (a) An Advisor Option entitles the holder to subscribe for one Share upon exercise of the Advisor Option.
- (b) The Advisor Options each have an exercise price of \$0.07 (**Exercise Price**) and an expiry date of 6 November 2021 (**Expiry Date**).
- (c) The Advisor Options are exercisable at any time on or prior to the Expiry Date.
- (d) Subject to paragraph (e) below, the Advisor Options may be exercised by notice in writing to the Company (**Notice of Exercise**) and payment of the Exercise Price for each Advisor Option being exercised. Any Notice of Exercise of an Advisor Option received by the Company will be deemed to be a notice of the exercise of that Advisor Option as at the date of receipt.
- (e) Shares issued on exercise of the Advisor Options will rank equally with the then shares of the Company.
- (f) Application will be made by the Company to ASX for quotation of the Shares issued upon the exercise of the Advisor Options.
- (g) After an Advisor Option is validly exercised, the Company must, within, 30 days of the notice of exercise and receipt of cleared funds equal to the sum payable on the exercise of the Advisor Option:
- (i) issue the Share; and
 - (ii) do all such acts, matters and things to obtain the grant of official quotation of the Share on ASX no later than 5 business days after issuing the Shares.
- (h) There are no participation rights or entitlements inherent in the Advisor Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Advisor Options. However, the Company will give holders of the Advisor Options notice of the proposed issue prior to the date for determining entitlements to participate in any such issue.
- (i) If the Company makes a bonus issue of Shares or other securities to existing Shareholders (other than an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment):
- (i) the number of Shares which must be issued on the exercise of an Advisor Option will be increased by the number of Shares which the holder would have received if the holder had exercised the Advisor Option before the record date for the bonus issue; and
 - (ii) no change will be made to the Exercise Price.
- (j) If the Company makes an issue of Shares pro rata to existing Shareholders (other than an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment) the Exercise Price of an Advisor Option will be reduced according to the following formula:
- $$\text{New exercise price} = O - \frac{E[P-(S+D)]}{N+1}$$
- O = the old Exercise Price of the Advisor Option.
- E = the number of underlying Shares into which one Advisor Option is exercisable.
- P = average market price per Share weighted by reference to volume of the underlying Shares during the 5 trading days ending on the day before the ex rights date or ex entitlements date.
- S = the subscription price of a Share under the pro rata issue.

D = the dividend due but not yet paid on the existing underlying Shares (except those to be issued under the pro rata issue).

N = the number of Shares with rights or entitlements that must be held to receive a right to one Share.

(k) If there is any reconstruction of the issued share capital of the Company, the rights of the Optionholder may be varied to comply with the Listing Rules which apply to the reconstruction at the time of the reconstruction.

(l) The Company will not apply to ASX for quotation of the Advisor Options.

(m) The Advisor Options are transferable.

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 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 3:30pm (WST) Tuesday, 28 May 2019

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 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

XX

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 Claremont Football Club, 3 Davies Road, Claremont, Western Australia on Thursday, 30 May 2019 at 3:30pm (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 Resolution 1 (except where I/we have indicated a different voting intention below) even though Resolution 1 is 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 Resolution 1 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 Neil Hackett	<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 Shares to Canadian Advisor	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5	Ratification of prior grant of New Options to Consultant	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6	Ratification of prior grant of Advisor Options to Corporate Advisor	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 7	Approval to issue Shares to Canadian Consultant	<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 / /