



2 July 2019

## Appendix 3B - Conversion of Performance Shares

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**Calima Energy Limited (ASX:CE1)** (“Calima” or the “Company”) advises that 3,947,360 Class B Performance shares have been converted into 3,947,360 fully paid ordinary shares of the Company.

On 25 August 2017, 3,947,360 Class B Performance shares were issued as part of the acquisition of Calima Energy Ltd by the Company. The issue of these shares was approved by shareholders at a General Meeting held on 20 July 2017.

The Class B Performance shares convert to 3,947,360 ordinary shares of the Company on the following:

- Spudding of an exploration well in any of the Calima lands before 1 March 2019; or
- the Company selling the TMKM Shares for an amount greater than A\$0.394m on or before the Expiry Date.

On 7 January 2019, the company spudded the first of three exploration wells in the Calima lands. Accordingly, the 3,947,360 Class B Performance shares were converted to fully paid ordinary shares as at 21 June 2019.

A further 1,180,587 ordinary shares have also been issued to a Canadian Consultant. The issue of the shares was approved by shareholders of the Company at the Annual General Meeting held on 30 May 2019.

Appendix 3B, Section 708A(5)(e) notice and Appendix 3Y's in respect to the securities issued will follow this announcement.

For further information visit [www.calimaenergy.com](http://www.calimaenergy.com) or contact:

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Rule 2.7, 3.10.3, 3.10.4, 3.10.5

# Appendix 3B

## New issue announcement, application for quotation of additional securities and agreement

*Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.*

Introduced 01/07/96 Origin: Appendix 5 Amended 01/07/98, 01/09/99, 01/07/00, 30/09/01, 11/03/02, 01/01/03, 24/10/05, 01/08/12, 04/03/13

Name of entity

Calima Energy Limited

ABN

17 117 227 086

We (the entity) give ASX the following information.

### Part 1 - All issues

*You must complete the relevant sections (attach sheets if there is not enough space).*

- |   |   |  |
|---|---|--|
| 1 | +Class of +securities issued or to be issued  | 1. Fully Paid Ordinary Shares<br>2. Fully Paid Ordinary Shares                                   |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued   | 1. 3,947,360<br>2. 1,180,587   |
| 3 | Principal terms of the +securities (e.g. if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | 1. Same as existing fully paid ordinary shares<br>2. Same as existing fully paid ordinary shares |

+ See chapter 19 for defined terms.

4	<p>Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities?</p> <p>If the additional +securities do not rank equally, please state:</p> <ul style="list-style-type: none"> <li>• the date from which they do</li> <li>• the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment</li> <li>• the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment</li> </ul>	Yes
5	Issue price or consideration	<ol style="list-style-type: none"> <li>1. Nil - Conversion of Class B Performance Shares</li> <li>2. Nil - Issue of Shares in lieu of part of the fees for Canadian project management services provided to the Company</li> </ol>
6	<p>Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)</p>	<ol style="list-style-type: none"> <li>1. Conversion of Class B Performance Shares to fully paid ordinary shares</li> <li>2. Issue of Shares in as part of the fees for Canadian project management services provided to the Company (Approved by Shareholders at AGM)</li> </ol>
6a	<p>Is the entity an +eligible entity that has obtained security holder approval under rule 7.1A?</p> <p>If Yes, complete sections 6b – 6h in relation to the +securities the subject of this Appendix 3B, and comply with section 6i</p>	Yes
6b	<p>The date the security holder resolution under rule 7.1A was passed</p>	30 May 2019

+ See chapter 19 for defined terms.

6c	Number of +securities issued without security holder approval under rule 7.1	Nil		
6d	Number of +securities issued with security holder approval under rule 7.1A	Nil		
6e	Number of +securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)	1,180,587		
6f	Number of +securities issued under an exception in rule 7.2	3,947,360		
6g	If +securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the +issue date and both values. Include the source of the VWAP calculation.	N/A		
6h	If +securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements	N/A		
6i	Calculate the entity's remaining issue capacity under rule 7.1 and rule 7.1A – complete Annexure 1 and release to ASX Market Announcements	LR7.1 = 217,501,953 LR7.1A = 145,001,302		
7	<p>+Issue dates</p> <p>Note: The issue date may be prescribed by ASX (refer to the definition of issue date in rule 19.12). For example, the issue date for a pro rata entitlement issue must comply with the applicable timetable in Appendix 7A.</p> <p>Cross reference: item 33 of Appendix 3B.</p>	<p style="text-align: center;">2 July 2019</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%; text-align: center;">Number</td> <td style="width: 50%; text-align: center;">+Class</td> </tr> </table>	Number	+Class
Number	+Class			

+ See chapter 19 for defined terms.

8	Number and <sup>+</sup> class of all <sup>+</sup> securities quoted on ASX (including the <sup>+</sup> securities in section 2 if applicable)	1,394,222,823	Fully paid ordinary shares
		Number	<sup>+</sup> Class
9	Number and <sup>+</sup> class of all <sup>+</sup> securities not quoted on ASX (including the <sup>+</sup> securities in section 2 if applicable)	55,790,194	Fully paid ordinary shares escrowed for 24 months from reinstatement on ASX
		16,081,866	Performance shares escrowed for 24 months from reinstatement on ASX
		19,450,000	New performance rights escrowed for 24 months from reinstatement on ASX
		20,000,000	Management options escrowed for 24 months from reinstatement on ASX
		10,000,000	Firm commitment options escrowed for 24 months from reinstatement on ASX
		750,000	Unlisted options exercisable at \$0.07 per option on or before 06-11-2021
		2,000,000	Unlisted options exercisable at \$0.07 per option on or before 31-12-2019

<sup>+</sup> See chapter 19 for defined terms.

10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	N/A
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**Part 2 - Pro rata issue**

11	Is security holder approval required?	N/A
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12	Is the issue renounceable or non-renounceable?	N/A
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13	Ratio in which the +securities will be offered	N/A
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14	+Class of +securities to which the offer relates	N/A
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15	+Record date to determine entitlements	N/A
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16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	N/A
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17	Policy for deciding entitlements in relation to fractions	N/A
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18	<p>Names of countries in which the entity has security holders who will not be sent new offer documents</p> <p><small>Note: Security holders must be told how their entitlements are to be dealt with.</small></p> <p><small>Cross reference: rule 7.7.</small></p>	N/A
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19	Closing date for receipt of acceptances or renunciations	N/A
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+ See chapter 19 for defined terms.

20	Names of any underwriters	N/A
21	Amount of any underwriting fee or commission	N/A
22	Names of any brokers to the issue	N/A
23	Fee or commission payable to the broker to the issue	N/A
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of security holders	N/A
25	If the issue is contingent on security holders' approval, the date of the meeting	N/A
26	Date entitlement and acceptance form and offer documents will be sent to persons entitled	N/A
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	N/A
28	Date rights trading will begin (if applicable)	N/A
29	Date rights trading will end (if applicable)	N/A
30	How do security holders sell their entitlements <i>in full</i> through a broker?	N/A
31	How do security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	N/A

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+ See chapter 19 for defined terms.

- 32 How do security holders dispose of their entitlements (except by sale through a broker)?
- 33 <sup>+</sup>Issue date

### Part 3 - Quotation of securities

*You need only complete this section if you are applying for quotation of securities*

- 34 Type of <sup>+</sup>securities  
(tick one)
- (a)  <sup>+</sup>Securities described in Part 1
- (b)  All other <sup>+</sup>securities  
Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

#### Entities that have ticked box 34(a)

#### Additional securities forming a new class of securities

*Tick to indicate you are providing the information or documents*

- 35  If the <sup>+</sup>securities are <sup>+</sup>equity securities, the names of the 20 largest holders of the additional <sup>+</sup>securities, and the number and percentage of additional <sup>+</sup>securities held by those holders
- 36  If the <sup>+</sup>securities are <sup>+</sup>equity securities, a distribution schedule of the additional <sup>+</sup>securities setting out the number of holders in the categories  
1 - 1,000  
1,001 - 5,000  
5,001 - 10,000  
10,001 - 100,000  
100,001 and over
- 37  A copy of any trust deed for the additional <sup>+</sup>securities

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<sup>+</sup> See chapter 19 for defined terms.



**Entities that have ticked box 34(b)**

38 Number of +securities for which +quotation is sought 

N/A
-----

39 +Class of +securities for which quotation is sought 

N/A
-----

40 Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities?

If the additional +securities do not rank equally, please state:

- the date from which they do
- the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment
- the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment

N/A
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41 Reason for request for quotation now

Example: In the case of restricted securities, end of restriction period

(if issued upon conversion of another +security, clearly identify that other +security)

N/A
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	Number	+Class
42 Number and +class of all +securities quoted on ASX (including the +securities in clause 38)	N/A	

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+ See chapter 19 for defined terms.

**Quotation agreement**

1 +Quotation of our additional +securities is in ASX’s absolute discretion. ASX may quote the +securities on any conditions it decides.

2 We warrant the following to ASX.

- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
- There is no reason why those +securities should not be granted +quotation.
- An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
- If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

4 We give ASX the information and documents required by this form. If any information or document is not available now, we will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Sign here: .....James Bahen .....Date: 2 July 2019.  
(~~Director~~/Company secretary)

Print name: ..James Bahen.....

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+ See chapter 19 for defined terms.

# Appendix 3B – Annexure 1

## Calculation of placement capacity under rule 7.1 and rule 7.1A for eligible entities

Introduced 01/08/12 Amended 04/03/13

### Part 1

<b>Rule 7.1 – Issues exceeding 15% of capital</b>	
<b>Step 1: Calculate “A”, the base figure from which the placement capacity is calculated</b>	
<b>Insert</b> number of fully paid +ordinary securities on issue 12 months before the +issue date or date of agreement to issue	555,397,479
<p><b>Add</b> the following:</p> <ul style="list-style-type: none"> <li>• Number of fully paid +ordinary securities issued in that 12 month period under an exception in rule 7.2</li> <li>• Number of fully paid +ordinary securities issued in that 12 month period with shareholder approval</li> <li>• Number of partly paid +ordinary securities that became fully paid in that 12 month period</li> </ul> <p><i>Note:</i></p> <ul style="list-style-type: none"> <li>• <i>Include only ordinary securities here – other classes of equity securities cannot be added</i></li> <li>• <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i></li> <li>• <i>It may be useful to set out issues of securities on different dates as separate line items</i></li> </ul>	<ul style="list-style-type: none"> <li>• 133,139,984 shares issued or to be issued under Appendix 3B dated 13 July 2018 pursuant to the TMKM Takeover Offer and compulsory acquisition of shares from remaining TMK Montney Ltd shareholders under Exception 5)</li> <li>• 16,200,000 shares issued under Appendix 3B dated 13 July 2018 pursuant to the TMKM Private Treaty Offer (SH approval obtained on 31 May 2018)</li> <li>• 268,670,207 shares issued under Appendix 3B dated 27 July 2018 pursuant to the TSVM Takeover Offer and compulsory acquisition of shares from remaining TSV Montney Ltd shareholders under Exception 5</li> <li>• 2,800,000 shares issued under Appendix 3B dated 27 July 2018 pursuant to the TSVM Private Treaty Offer (SH approval obtained on 31 May 2018)</li> <li>• 3,500,000 fully paid ordinary shares (issued on 27 July 2018 and SH approval on 3 October 2018)</li> <li>• 236,111,111 fully paid ordinary shares (issued on 24 August 2018 and SH approval on 3 October 2018)</li> <li>• 226,851,852 fully paid ordinary shares (issued on 6 October 2018 and SH approval on 3 October 2018)</li> <li>• 3,947,360 fully paid ordinary shares issued under this Appendix 3B upon the conversion of Milestone B Performance Shares</li> <li>• 1,180,587 shares issued under this appendix 3B (SH approval obtained on 30 May 2019)</li> </ul>
<b>Subtract</b> the number of fully paid +ordinary securities cancelled during that 12 month period	
<b>“A”</b>	1,450,013,017

+ See chapter 19 for defined terms.

<b>Step 2: Calculate 15% of “A”</b>	
<b>“B”</b>	0.15 <i>[Note: this value cannot be changed]</i>
<b>Multiply “A” by 0.15</b>	217,501,953
<b>Step 3: Calculate “C”, the amount of placement capacity under rule 7.1 that has already been used</b>	
<p><i>Insert</i> number of +equity securities issued or agreed to be issued in that 12 month period <i>not counting</i> those issued:</p> <ul style="list-style-type: none"> <li>• Under an exception in rule 7.2</li> <li>• Under rule 7.1A</li> <li>• With security holder approval under rule 7.1 or rule 7.4</li> </ul> <p><i>Note:</i></p> <ul style="list-style-type: none"> <li>• <i>This applies to equity securities, unless specifically excluded – not just ordinary securities</i></li> <li>• <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i></li> <li>• <i>It may be useful to set out issues of securities on different dates as separate line items</i></li> </ul>	Nil
<b>“C”</b>	Nil
<b>Step 4: Subtract “C” from [“A” x “B”] to calculate remaining placement capacity under rule 7.1</b>	
<p>“A” x 0.15</p> <p><i>Note: number must be same as shown in Step 2</i></p>	217,501,953
<p><b>Subtract “C”</b></p> <p><i>Note: number must be same as shown in Step 3</i></p>	Nil
<b>Total [“A” x 0.15] – “C”</b>	217,501,953  <i>[Note: this is the remaining placement capacity under rule 7.1]</i>

+ See chapter 19 for defined terms.

## Part 2

<b>Rule 7.1A – Additional placement capacity for eligible entities</b>	
<b>Step 1: Calculate “A”, the base figure from which the placement capacity is calculated</b>	
<b>“A”</b>  <i>Note: number must be same as shown in Step 1 of Part 1</i>	1,450,031,017
<b>Step 2: Calculate 10% of “A”</b>	
<b>“D”</b>	0.10  <i>Note: this value cannot be changed</i>
<b>Multiply “A” by 0.10</b>	145,001,302
<b>Step 3: Calculate “E”, the amount of placement capacity under rule 7.1A that has already been used</b>	
<b>Insert</b> number of +equity securities issued or agreed to be issued in that 12 month period under rule 7.1A  <b>Notes:</b> <ul style="list-style-type: none"> <li>• <i>This applies to equity securities – not just ordinary securities</i></li> <li>• <i>Include here – if applicable – the securities the subject of the Appendix 3B to which this form is annexed</i></li> <li>• <i>Do not include equity securities issued under rule 7.1 (they must be dealt with in Part 1), or for which specific security holder approval has been obtained</i></li> <li>• <i>It may be useful to set out issues of securities on different dates as separate line items</i></li> </ul>	Nil
<b>“E”</b>	Nil

+ See chapter 19 for defined terms.

<b>Step 4: Subtract “E” from [“A” x “D”] to calculate remaining placement capacity under rule 7.1A</b>	
“A” x 0.10  <i>Note: number must be same as shown in Step 2</i>	145,001,302
<b>Subtract “E”</b>  <i>Note: number must be same as shown in Step 3</i>	Nil
<b>Total [“A” x 0.10] – “E”</b>	145,001,302  <i>Note: this is the remaining placement capacity under rule 7.1A</i>

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+ See chapter 19 for defined terms.

## **NOTICE UNDER SECTION 708A(5)(e) OF THE CORPORATIONS ACT 2001**

This notice is given by Calima Energy Limited (**Calima** or the **Company**) in relation to the issue of 1,180,587 fully paid ordinary shares (**Shares**) as detailed in this Appendix 3B.

The Corporations Act 2001 (Cth) (**Act**) restricts the on-sale of securities issued without disclosure unless the sale is exempt under section 708 or 708A of the Act. By giving this notice, the Shares detailed in the following Appendix 3B will fall within the exemption in section 708A(5) of the Act.

Pursuant to section 708A(5)(e) of the Act the Company gives notice that:

- a. the Shares were issued without disclosure to investors under Part 6D.2 of the Act;
- b. the Company is providing this notice under paragraph (5)(e) of section 708A of the Act;
- c. as at the date of this notice, the Company has complied with the provisions of Chapter 2M of the Act as they apply to the Company;
- d. as at the date of this notice, the Company has complied with section 674 of the Act; and
- e. as at the date of this notice, there is no information:
  - i. that has been excluded from a continuous disclosure notice in accordance with the ASX Listing Rules; and
  - ii. that investors and their professional advisers would reasonably require for the purpose of making an informed assessment of:
    - A. the assets and liabilities, financial position and performance, profits and losses and prospects of the Company; or
    - B. the rights and liabilities attaching to the shares.

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+ See chapter 19 for defined terms.