

**For Immediate Release  
ASX Announcement**

22 April 2022

**NOTICE OF ANNUAL GENERAL MEETING**

Please find attached the following announcements relating to the 2022 Annual General Meeting:

- Letter to Shareholders
- Notice of Annual General Meeting
- Proxy Form

**Ends**

This ASX announcement was authorised for release by the Australis Disclosure Committee.

For further information, please contact:

Ian Lusted  
Managing Director  
Australis Oil & Gas Limited  
+61 8 9220 8700

Graham Dowland  
Finance Director  
Australis Oil & Gas Limited  
+61 8 9220 8700

**AUSTRALIS OIL & GAS LIMITED**

ABN 34 609 262 937

Ground Floor, 215 Hay Street Subiaco WA 6008 • PO Box 8225 Subiaco East WA 6008

T +61 (8) 9220 8700 • F +61 (8) 9220 8799

[www.australisoil.com](http://www.australisoil.com)

22 April 2022

Dear Shareholder

Australis Oil and Gas Limited's 2022 Annual General Meeting will be held on Wednesday, 25 May 2022 at 11:00am (AWST) (**AGM**) at REIWA Building, Conference Room 2, Level 1, 215 Hay Street, Subiaco WA 6008. A copy of the Notice of Meeting is available at [www.australisoil.com](http://www.australisoil.com) (**Notice**).

Whilst the Company is again holding a physical meeting format we will be observing social distancing and require proof of double vaccination, wearing of face masks and compliance with any other government requirements that apply based on the COVID-19 situation prevailing at that time. Attendees will be required to register their contact details via the Service WA or SafeWA app or on a paper-based register. We ask that you do not attend the AGM if you feel unwell or have been in contact with someone who may have been affected by COVID-19 or are deemed a close contact under the WA government definitions.

Australis will stream the Meeting via a webcast allowing Shareholders to observe the proceedings of the meeting. A recording of the webcast will be available on the Company's website at [www.australisoil.com](http://www.australisoil.com) after the AGM. Shareholders are encouraged to submit questions for the Company or the auditor ahead of the AGM to [contact@australisoil.com](mailto:contact@australisoil.com). Written questions must be received no later than 11.00am (AWST) on 23 May 2022.

All AGM resolutions will be voted upon by Poll. Voting will be conducted by poll using either:

- the proxy instructions received from Shareholders in advance of the Meeting; or
- the personalised poll form issued to Shareholders in attendance immediately prior to the Meeting (**Poll Form**).

**Shareholders should note that the webcast will not provide for a voting mechanism during the Meeting.**

Shareholders unable to attend the meeting are encouraged to appoint the Chair as proxy ahead of the AGM. Shareholders can complete the proxy form attached to the Notice to provide specific instructions on how their vote is to be exercised on each item of business and the Chair must follow your instructions. Instructions on how to complete the proxy form are set out in the Notice.

#### **How Shareholders can observe the live webcast**

Shareholders who wish to observe the Meeting online may do so by registering no later than 48 hours in advance of the meeting at: <https://attendee.gotowebinar.com/register/988701068594236684>. You will then be emailed further details on how to observe the webcast following registration.

Additionally, circumstances relating to COVID-19 can change rapidly. The Company will update Shareholders if changing circumstances will impact planning for the Meeting as soon as practicable. If this occurs, we will notify any changes by way of announcement on the ASX and details will also be made available on our website at [www.australisoil.com](http://www.australisoil.com). The Notice is important and should be read in its entirety. If you are in doubt as to the course of action you should follow, you should consult your financial adviser, lawyer, accountant or other professional adviser.

Yours sincerely  
Australis Oil & Gas Limited  
Graham Dowland – Finance Director

#### **AUSTRALIS OIL & GAS LIMITED**

ABN 34 609 262 937

Ground Floor, 215 Hay Street Subiaco WA 6008 • PO Box 8225 Subiaco East WA 6008

T +61 (8) 9220 8700 • F +61 (8) 9220 8799

[www.australisoil.com](http://www.australisoil.com)



# Australis Oil & Gas Limited

ABN 34 609 262 937

## NOTICE OF ANNUAL GENERAL MEETING AND EXPLANATORY MEMORANDUM TO SHAREHOLDERS

**Date of Meeting**

25 May 2022

**Time of Meeting**

11:00 AM (AWST)

**Place of Meeting**

REIWA Building, Conference Room 2, Level 1, 215 Hay Street, Subiaco,  
Western Australia

**A Proxy Form is enclosed**

Please read this Notice and Explanatory Memorandum carefully and complete and return the enclosed Proxy Form in accordance with the specified directions.

*This page has been left blank intentionally.*

## 2022 ANNUAL GENERAL MEETING

The 2022 Annual General Meeting of Australis Oil & Gas Limited is scheduled to be held on Wednesday, 25 May 2022 at 11.00am (AWST) at Reiwa Building, Conference Room 2, Level 1, 215 Hay Street, Subiaco WA 6008.

The Company will adopt a physical meeting format, however, we will be observing social distancing and require proof of double vaccination, wearing of face masks and compliance with any other government requirements that apply based on the COVID-19 situation prevailing at that time. Attendees will be required to register their contact details via the ServiceWA or SafeWA app or on a paper-based register. We ask that you do not attend the AGM if you feel unwell or have been in contact with someone who may have been affected by COVID-19.

Australis will stream the Meeting via a webcast allowing Shareholders to observe the proceedings of the meeting. A recording of the webcast will be available on the Company's website at [www.australisoil.com](http://www.australisoil.com) after the AGM. Shareholders are encouraged to submit questions for the Company or the Auditor ahead of the AGM to [contact@australisoil.com](mailto:contact@australisoil.com). Written questions must be received no later than 11.00am AWST on 23 May 2022.

All AGM resolutions will be voted upon by poll and conducted using either:

- the proxy instructions received from Shareholders in advance of the Meeting; or
- the personalised poll form issued to Shareholders in attendance immediately prior to the Meeting (**Poll Form**).

**Shareholders should note that the webcast will not provide for a voting mechanism during the Meeting.**

The Company strongly encourages all Shareholders to participate in the Meeting by:

- a) reading the Notice carefully;
- a) voting by proxy following the instructions set out in this Notice and return it to the Company no later than 11.00am AWST on 23 May 2022; or
- b) attending the Meeting in person to participate and vote. The personalised Poll Form must be completed and returned to the Company during the Meeting after the poll has been called and prior to the close of polling. During the Meeting the Chair will notify you when and how you are to complete the personalised Poll Form.

Directors who are unable to attend the physical meeting in the current circumstances, will be participating at the Meeting via webcast.

Additionally, circumstances relating to COVID-19 can change rapidly. The Company will update Shareholders if changing circumstances will impact planning for the Meeting as soon as practicable. If this occurs, we will notify any changes by way of announcement on the ASX and details will also be made available on our website at [www.australisoil.com](http://www.australisoil.com).

# AUSTRALIS OIL & GAS LIMITED

## ABN 34 609 262 937

### EXPLANATORY MEMORANDUM

This Explanatory Memorandum is intended to provide Shareholders with sufficient information to assess the merits of the Resolutions contained in the accompanying Notice of Annual General Meeting of the Company.

Certain abbreviations and other defined terms are used throughout this Explanatory Memorandum. Defined terms are generally identifiable by the use of an upper case first letter. Details of the definitions and abbreviations are set out in the Glossary to the Explanatory Memorandum.

#### FINANCIAL REPORTS

The first item of the Notice deals with the presentation of the consolidated annual financial report of the Company for the financial year ended 31 December 2021, together with the Directors' declaration and report in relation to that financial year and the Auditor's Report on the financial report. Shareholders should consider these documents and raise any matters of interest with the Directors when this item is being considered.

No resolution is required to be moved in respect of this item.

Shareholders will be given a reasonable opportunity at the Annual General Meeting to ask questions and make comments on the accounts and on the management of the Company.

The Chair will also give Shareholders a reasonable opportunity to ask the Auditor or the Auditor's representative questions relevant to:

- (a) the conduct of the audit;
- (b) the preparation and content of the independent audit report;
- (c) the accounting policies adopted by the Company in relation to the preparation of the financial statements; and
- (d) the independence of the Auditor in relation to the conduct of the audit.

The Chair will also allow a reasonable opportunity for the Auditor or their representative to answer any written questions submitted to the Auditor under section 250PA of the Corporations Act.

#### RESOLUTION 1 – NON-BINDING RESOLUTION TO ADOPT REMUNERATION REPORT

Section 250R(2) of the Corporations Act requires the Company to put to its Shareholders a resolution that the Remuneration Report as disclosed in the Company's Annual Report for the year ending 31 December 2021 be adopted. The Remuneration Report is set out in the Company's Annual Report for the year ending 31 December 2021 and is also available on the Company's website ([www.australisoil.com](http://www.australisoil.com)).

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

However, if at least 25% of the votes cast are against adoption of the Remuneration Report at two consecutive annual general meetings, the Company will be required to put a resolution to the second Annual General Meeting (**Spill Resolution**), to approve calling a general meeting (**Spill Meeting**). If more than 50% of Shareholders vote in favour of the Spill Resolution, the Company must then convene a Spill Meeting within 90 days of the second Annual General Meeting. All Directors who were

in office when the applicable Remuneration Report was approved, other than the Managing Director, will need to stand for re-election at the Spill Meeting if they wish to continue as Directors.

The remuneration report for the financial year ended 31 December 2020 received a vote of less than 25% against its adoption at the Company's last general meeting held on 11 May 2021. Accordingly, if at least 25% of the votes cast on this Resolution are against adoption of the Remuneration Report it will not result in the Company putting a Spill Resolution to Shareholders.

The Remuneration Report explains the Board policies in relation to the nature and level of remuneration paid to Directors, sets out remuneration details for each Director and any service agreements and sets out the details of any equity based compensation.

The Chair will give Shareholders a reasonable opportunity to ask questions in relation to the Remuneration Report.

### **Voting**

Note that a voting exclusion applies to this Resolution in the terms set out in the Notice.

Shareholders are urged to carefully read the Proxy Form and provide a direction to the proxy on how to vote on this Resolution.

### **RESOLUTION 2 – RE-ELECTION OF MR GRAHAM DOWLAND AS A DIRECTOR**

Pursuant to Clause 6.1(f) of the Company's Constitution, Mr Dowland, being a Director, retires by way of rotation and, being eligible, offers himself for re-election as a Director.

Mr Dowland was appointed to the Board on 12 November 2015 and is the Chief Financial Officer of Australis.

Previously, Mr Dowland was a founding director of Aurora in February 2005 and held the position of Finance Director of Aurora from November 2010 until the acquisition of Aurora by Baytex Energy Australia Pty Ltd in June 2014. Mr Dowland has over 30 years corporate finance and management experience in the oil and gas industry having previously held director, senior management or advisory positions in Australian, Canadian and UK-listed companies with operations in various jurisdictions worldwide.

Based on Mr Dowland's relevant experience and qualifications, the members of the Board (in the absence of Mr Dowland) support the re-election of Mr Dowland as a Director of the Company.

### **RESOLUTION 3 – RE-ELECTION OF MR ALAN WATSON AS A DIRECTOR**

Pursuant to Clause 6.1(f) of the Company's Constitution, Mr Watson, being a Director, retires by way of rotation and, being eligible, offers himself for re-election as a Director.

Mr Watson was formerly an independent, non-executive director of Aurora from November 2010 until the acquisition of Aurora by Baytex Energy Australia Pty Ltd in June 2014. Sydney-based Mr Watson is a former investment banker with 35 years of experience within various global equity markets. Over this period he established, directed and was responsible for the conduct of securities businesses both in Europe and Asia advising many companies on capital structuring, initial public offerings, takeovers and mergers and investment relations strategies. Mr Watson held positions at Barclays de Zoete Wedd Limited, Donaldson, Lufkin & Jenrette Securities Corporation, Lehman Brothers Holdings Inc and as Head of Securities Europe for Macquarie Capital (Europe) Ltd. Currently Mr Watson is independent Chairman of ASX listed funds management company Pinnacle Investment Management Group Limited.

Mr Watson was appointed to the Board on 24 May 2016 and is an independent non-executive director of Australis, Chair of the Remuneration and Nomination Committee and member of the Audit and Risk Management Committee.

Based on Mr Watson's relevant experience and qualifications, the members of the Board (in the absence of Mr Watson) support the re-election of Mr Watson as a Director of the Company.

#### **RESOLUTIONS 4 AND 5 – ISSUE OF PERFORMANCE RIGHTS TO MR IAN LUSTED AND MR GRAHAM DOWLAND OR THEIR NOMINEE(S) PURSUANT TO THE 2022 LTI AWARD UNDER THE PLAN**

The Company proposes to issue Performance Rights to all eligible Australis employees (including Mr Lusted and Mr Dowland), or their nominees, pursuant to the 2022 LTI Award.

A total of up to 11,185,567 Performance Rights (each with an exercise price of nil and an expiry date of 31 January 2027) are proposed to be issued to Mr Lusted and Mr Dowland (**Executive Directors**), or their nominee(s), pursuant to the 2022 LTI Award. The Company proposes to issue up to 6,134,021 Performance Rights to Mr Lusted subject to the passing of Resoluion 4, and up to 5,051,546 Performance Rights to Mr Dowland subject to the passing of Resolution 5.

The 2022 LTI Award is similar to prior years' annual LTI Awards and comprises the contractual annual long-term component of the 'at risk' remuneration for the Executive Directors and aligns with the longer-term objectives of Shareholder return.

The number of Performance Rights proposed to be granted is based on the terms of the 2022 Remuneration Plan approved by the Board on 24 January 2022. At that time, the Board determined the 2022 LTI Plan Award methodology would follow prior years' methodology and as such included:

- the award being a percentage of each eligible employee's 2022 commencing base salary converted to Performance Rights using the Australis share trading VWAP for the month of December 2021; and
- such Performance Rights to vest over three years, subject to continuous employment during each Vesting Period and for a portion of the award (which increases with seniority), the achievement of various share price performance hurdles.

The terms of the Performance Rights (including the performance hurdles and their application to the proposed issue of Performance Rights to the Executive Directors) are set out in full in Annexure C. In summary, of the the proposed number of Performance Rights to be issued:

- (a) 25% are subject to continuous employment;
- (b) 56.25% are subject to continuous employment and the Australis share price performance. In order to vest, the Australis share price must achieve a minimum increase from the December 2021 VWAP and the number of Performance Rights that vest increases with the increase in share price. The maximum vesting for this portion of the Performance Rights occurs at a 200% increase in the share price over the performance period; and
- (c) 18.75% are subject to continuous employment and the Australis share price performance compared to a peer group during each performance period. The maximum vesting for this portion of the Performance Rights occurs only if the Australis Share price outperforms all peer group companies over the performance period.

#### **Related Party Transactions Generally**

Chapter 2E of the Corporations Act prohibits a public company from giving a financial benefit to a *related party* of the public company *unless* either:

- (a) the giving of the financial benefits falls within one of the nominated exceptions to the provision; or



- (b) Shareholder approval is obtained prior to the giving of the financial benefit and the benefit is given within 15 months after obtaining such approval.

For the purposes of Chapter 2E of the Corporations Act, Mr Lusted and Mr Dowland are related parties of the Company as they are Directors of the Company. Resolutions 4 and 5 relate to the proposed issue of Performance Rights to Mr Lusted and Mr Dowland (or their nominee(s)) respectively, which are financial benefits that require Shareholder approval for the purposes of section 208 of the Corporations Act.

Under section 208 of the Corporations Act, for a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

- (a) obtain the approval of the public company's members; and
- (b) give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act.

Shareholder approval is not being sought for the purposes of section 208 of the Corporations Act on the basis that the benefit is considered by the Board (in the absence of Mr Lusted and Mr Dowland) to constitute reasonable remuneration and, therefore, the exception in section 211 of the Corporations Act applies. Section 211 provides that Shareholder approval is not required for the purposes of section 208 in circumstances where the benefit constitutes remuneration which would be reasonable given the Company's and the related party's circumstances.

Having considered the Company's circumstances and Mr Lusted and Mr Dowland's respective positions with the Company, the Board (in the absence of Mr Lusted and Mr Dowland) considers that the financial benefits conferred by the issue of Performance Rights to Mr Lusted and Mr Dowland (or their nominee(s)) are reasonable given:

- (a) the respective experience of Mr Lusted and Mr Dowland;
- (b) the 2022 LTI Plan Award is based on similar awards provided in prior years under the Group-wide long-term incentives; and
- (c) the benefit derived from the proposed issue of the Performance Rights would otherwise be provided as a cash settled equivalent.

Therefore, the exception in section 211 applies.

#### **Section 195(4) of the Corporations Act**

Section 195(1) of the Corporations Act prohibits a director of a public company who has a material personal interest in a matter that is being considered at a directors' meeting from being present while the matter is being considered at the meeting or voting on the matter. If there is not a quorum of directors who are eligible to vote on a matter because of the operation of section 195(1) of the Corporations Act, one or more directors may call a general meeting and the general meeting may deal with the matter.

A Director does not have a material personal interest in the issue of Performance Rights to another Director (or their nominee(s)). However, given that it is proposed that all current Directors are either issued Performance Rights pursuant to Resolutions 4 and 5, STI Shares pursuant to Resolutions 6 or 7 or Fee Rights pursuant to Resolutions 8, 9 and 10 they may be considered to have a material personal interest in the outcome of these Resolutions, in which case the Directors may be unable to form a quorum. Accordingly, the Board considers it prudent to exercise their right under section 195(4) of the Corporations Act and put the matters to Shareholders to resolve.

## Directors' recommendation

Mr Lusted declines to make a recommendation about Resolution 4 as he may have a material personal interest in the outcome of the Resolution as it relates to the proposed issue of Performance Rights to him individually (or his nominee(s)). Mr Dowland declines to make a recommendation about Resolution 5 as he may have a material personal interest in the outcome of the Resolution as it relates to the proposed issue of Performance Rights to him individually (or his nominee(s)).

ASIC Regulatory Guide 76: Related Party Transactions notes at paragraph 76.103 that it is good practice for directors to avoid making a recommendation for resolutions about each other's remuneration as there may be a conflict of interest.

Accordingly, each Director declines to make a recommendation with respect to Resolutions 4 and 5. The Directors are not aware of any other information that would reasonably be required by the Shareholders to allow them to make a decision whether it is in the best interests of the Company to pass these Resolutions.

## Information Requirements– Listing Rules 10.14 and 10.15

Listing Rule 10.14 provides that the Company must not permit any of the following persons to acquire Equity Securities under an employee incentive scheme:

- a director of the Company (Listing Rule 10.14.1);
- an Associate of a director of the Company (Listing Rule 10.14.12); or
- a person whose relationship with the Company or a person referred to in Listing Rule 10.14.1 or 10.14.2 is such that, in ASX's opinion, the acquisition should be approved by its Shareholders (Listing Rule 10.14.3),

unless it obtains the approval of its Shareholders.

The proposed issue of Performance Rights to Mr Lusted and Mr Dowland (or their nominee(s)) pursuant to the 2022 LTI Award under the Plan falls within Listing Rule 10.14.1 and therefore requires the approval of Shareholders under Listing Rule 10.14.

If these Resolutions are passed, the Company will issue Performance Rights to Mr Lusted and Mr Dowland (or their nominee(s)) on the terms set out in Annexure C to this Explanatory Memorandum. If these Resolutions are not passed, the Company will not issue Performance Rights to Mr Lusted or Mr Dowland (or their nominee(s)) and the Company may consider alternative ways to remunerate Mr Lusted and Mr Dowland, including by way of payments settled in cash based on similar performance hurdles.

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

- (a) the Performance Rights will be issued to Mr Lusted and Mr Dowland, or their nominee(s), as noted above and in Annexure C to this Explanatory Memorandum;
- (b) Mr Lusted and Mr Dowland are related parties of the Company for the purposes of Listing Rule 10.14.1 as they are Directors of the Company;
- (c) Mr Lusted is a Director of the Company and the issue of Performance Rights the subject of Resolution 4 is intended to remunerate or incentivise Mr Lusted, whose current total annual remuneration package as at the date of this Notice is as follows:
  - base salary of A\$425,000 (excluding superannuation) of which A\$111,000 (excluding superannuation) is conditional upon the achievement, during 2022, of the Company goal relating to TMS development via the introduction of a partner or capital;
  - short-term incentive (**STI**) of up to 75% of achieved base salary for 2022 excluding superannuation; and

- long-term incentive (**LTI**) of up to 70% of base salary excluding superannuation as at 1 January 2022, being the Performance Rights the subject of Resolution 4;
- (d) Mr Dowland is a Director of the Company and the issue of Performance Rights the subject of Resolution 5 is intended to remunerate or incentivise Mr Dowland, whose current total annual remuneration package as at the date of this Notice is as follows:
- Base salary of A\$350,000 (excluding superannuation) of which A\$53,340 (excluding superannuation) is conditional upon the achievement, during 2022, of the Company goal relating to TMS development via the introduction of a partner or capital;
  - STI of up to 65% of achieved base salary for 2022 excluding superannuation; and
  - LTI of up to 70% of base salary excluding superannuation as at 1 January 2022, being the Performance Rights the subject of Resolution 5;
- (e) up to 6,134,021 Performance Rights will be issued to Mr Lusted (or his nominee(s)), and up to 5,051,546 Performance Rights will be issued to Mr Dowland (or his nominee(s)) pursuant to the 2022 LTI Award under the Plan;
- (f) the current remuneration packages of each of Mr Lusted and Mr Dowland as summarised above, and including the issue of Performance Rights the subject of Resolutions 4 and 5, are shown in the table below:

Participating Director	Base plus Conditional Salary (excluding Superannuation) as at 1 January 2022	2022 LTI Award %	2022 STI Award % of 2022 Achieved Base Salary (excluding Superannuation)	2022 LTI Award Performance Rights based on Dec 2021 Australis VWAP (A\$0.0485)
Ian Lusted	A\$425,000	70%	Up to 75%	6,134,021
Graham Dowland	A\$350,000	70%	Up to 65%	5,051,546

- (g) the full terms of the Performance Rights (including the performance hurdles) are contained in Annexure C to this Explanatory Memorandum. The proposed issue of Performance Rights to Messrs Lusted and Dowland (or their nominee(s)) in respect of the 2022 LTI Award will, subject to the satisfaction of the Vesting Conditions and performance hurdles (described in Annexure C), vest in 3 tranches over a 3-year period as follows:

2022 LTI Award Tranche	Performance Test Period	Vesting Date	Number of Performance Rights vesting
Tranche 1	1 January 2022 to 31 December 2022	31 January 2023	Up to 1/7 <sup>th</sup> of total 2022 LTI Award Performance Rights
Tranche 2	1 January 2022 to 31 December 2023	31 January 2024	Up to 2/7 <sup>th</sup> of the total 2022 LTI Award Performance Rights
Tranche 3	1 January 2022 to 31 December 2024	31 January 2025	Up to 4/7 <sup>th</sup> of the total 2022 LTI Award Performance Rights

Vesting of Performance Rights requires continued employment through to the Vesting Date and

- i) 56.25% of the Performance Rights in each Tranche are subject to the “*Absolute total shareholder return*” (ATSR) performance minimum threshold and vesting schedule set out in Annexure C; and
  - ii) 18.75% of the Performance Rights in each Tranche are subject to the “*Relative total shareholder return*” (RTSR) performance vesting schedule set out in Annexure C.
- (h) a summary of the material terms of the Plan are set out in Annexure A to this Explanatory Memorandum;
- (i) the proposed issue of Performance Rights under the Plan is designed to encourage the Executive Directors to have a continuing strong alignment with other Shareholders through increasing share ownership by way of a combination of the achievement of the Company’s objectives (and that progress being reflected in share price performance) and retention mechanisms to provide consistent long-term service. Under the Company’s current circumstances, the Directors consider (in the absence of Mr Lusted and Mr Dowland) that the incentives represented by the issue of Performance Rights are a cost effective and efficient means for the Company to provide a reward and incentive, as opposed to alternative forms of incentive, such as the payment of additional cash compensation;
- (j) the Company’s advisers, RSM Australia Pty Ltd, have valued the Performance Rights using the Analytical Model and a Monte-Carlo simulation model in the manner set out in Annexure B to this Explanatory Memorandum. Based on the assumptions set out at Annexure B to this Explanatory Memorandum, it is considered that the estimated average value of the Performance Rights to be issued to the Participating Directors pursuant to each Vesting Condition for each tranche are as follows:

Valuation date	Award Type	Vesting Condition	Valuation methodology	Value per Performance Right
23 Mar 2022	Performance Rights -Tranche 1	Service condition	Analytical Model	A\$0.08
23 Mar 2022	Performance Rights – Tranche 1	Service condition and ATSR hurdle	Monte-Carlo	A\$0.0714
23 Mar 2022	Performance Rights – Tranche 1	Service condition and RTSR hurdle	Monte-Carlo	A\$0.0638
23 Mar 2022	Performance Rights -Tranche 2	Service condition	Analytical Model	A\$0.08
23 Mar 2022	Performance Rights – Tranche 2	Service condition and ATSR hurdle	Monte-Carlo	A\$0.0673
23 Mar 2022	Performance Rights – Tranche 2	Service condition and RTSR hurdle	Monte-Carlo	A\$0.0629
23 Mar 2022	Performance Rights -Tranche 3	Service condition	Analytical Model	A\$0.08
23 Mar 2022	Performance Rights – Tranche 3	Service condition and ATSR hurdle	Monte-Carlo	A\$0.0515
23 Mar 2022	Performance Rights – Tranche 3	Service condition and RTSR hurdle	Monte-Carlo	A\$0.0579

Estimated Value of the proposed 2022 LTI Award Performance Rights to Directors	Ian Lusted A\$	Graham Dowland A\$	Total (A\$)
Tranche 1	63,202	52,049	115,251
Tranche 2	122,067	100,526	222,593
Tranche 3	209,696	172,691	382,387
<b>Total</b>	<b>394,965</b>	<b>325,265</b>	<b>720,231</b>

- (k) the Performance Rights will be issued on a date which will be no later than 3 years after the date of this Meeting, unless otherwise extended by way of ASX granting a waiver to the Listing Rules;
- (l) the Performance Rights will be issued for no cash consideration;
- (m) no funds will be raised from the issue of the Performance Rights;
- (n) the number of Performance Rights that have previously been issued to Mr Lusted and Mr Dowland (or their nominee(s)) under the Plan and the average acquisition price paid by Mr Lusted and Mr Dowland (or their nominee(s)) for those Performance Rights is set out in Annexure A to this Explanatory Memorandum. The terms and conditions, including the performance hurdles, for the prior awards of Performance Rights to Mr Lusted and Mr Dowland are detailed in the 2018, 2019, 2020 and 2021 Remuneration Reports;
- (o) details of any securities issued under the Plan have or will be published in the annual report of the Company for the period in which they were issued, along with a statement that approval for the issue was obtained under Listing Rule 10.14;
- (p) any additional persons covered by Listing Rule 10.14 who become entitled to participate in the Plan after these Resolutions are approved and who were not named in this Notice will not participate until approval is obtained under that rule; and
- (q) a voting exclusion statement applies to these Resolutions as set out in the Notice.

If approval is given for the issue of the Performance Rights under Listing Rule 10.14, approval is not required under Listing Rule 7.1.

### **Voting**

Shareholders are urged to carefully read the Proxy Form and provide a direction to the proxy on how to vote on the Resolutions.

## RESOLUTIONS 6 AND 7:

### ISSUE OF SHARES TO MR IAN LUSTED AND MR GRAHAM DOWLAND IN SETTLEMENT OF 2021 SHORT-TERM INCENTIVE PURSUANT TO THE PLAN (RESOLUTIONS 6 AND 7 RESPECTIVELY)

To reduce the cash burden on the Company in 2022, the Executive Directors agreed that their achieved 2021 short-term incentive be settled by the Company issuing Shares for nil consideration pursuant to the Australis Oil & Gas Limited Employee Equity Incentive Plan (**Plan**) on the terms and conditions set out in Annexure D to this Explanatory Memorandum.

Subject to the receipt of Shareholder approval:

- 100% of Mr Lusted's 2021 achieved short-term incentive (A\$68,059); and
- 100% of Mr Dowland's 2021 achieved short-term incentive (A\$52,624),

will be settled in equity by the issue of Shares under the Plan (**STI Shares**).

The deemed issue price of the STI Shares is based on the Company's VWAP for the period of 7 March to 11 March 2022, being 7.74 cents per STI Share.

Senior management were also issued Shares in part settlement of their achieved 2021 STI using the same VWAP. Payment of the 2021 STI, both cash and (where applicable) Shares, to all employees excluding the Executive Directors occurred on 14 March 2022.

The number of STI Shares proposed to be issued to each Executive Director is set out below.

Director	Number of STI Shares proposed to be issued
Mr Ian Lusted	Up to 879,315
Mr Graham Dowland	Up to 679,897

### Rationale for the issue of STI Shares

Due to the adverse economic and operating conditions in 2020 which continued in 2021, the Board determined that in order to conserve cash, the 2021 achieved short-term incentives for Executive Directors be settled by way of the issue of Shares under the Plan. Whilst the oil and gas industry and general economic conditions including oil price had started to improve at the beginning of 2022, the Board determined it prudent to maintain a disciplined approach to cash management and settle 100% of the Executive Directors achieved 2021 short-term incentives by way of the issue of Shares under the Plan. In addition, senior management also received a portion of their 2021 achieved STI in Shares.

The short-term incentive achieved by Executive Directors was determined by reference to the Company's performance in relation to pre-agreed corporate goals and targets as set out in the Remuneration Report within the 2021 Annual Report which can be found on the Company's website at [www.australisoil.com](http://www.australisoil.com).

The Directors (in the absence of Mr Lusted and Mr Dowland) consider the proposed issue of STI Shares materially assists in the conservation of the Company's cash through this period.

The Directors consider (in the absence of the Executive Directors) that the compensation represented by the issue of STI Shares is an efficient means for the Company to reward the performance of Executive Directors during 2021 whilst conserving cash. In the event Shareholders do not approve the issue of STI Shares to the Executive Directors pursuant to Resolutions 6 or 7, the Company will continue to settle the full amount of that Executive Director's achieved short-term incentive in cash.

### **Related Party Transactions Generally**

Chapter 2E of the Corporations Act prohibits a public company from giving a financial benefit to a *related party* of the public company *unless* either:

- (a) the giving of the financial benefits falls within one of the nominated exceptions to the provision; or
- (b) Shareholder approval is obtained prior to the giving of the financial benefit and the benefit is given within 15 months after obtaining such approval.

For the purposes of Chapter 2E of the Corporations Act, Mr Lusted and Mr Dowland are related parties of the Company as they are Directors of the Company. Resolutions 6 and 7 relate to the proposed issue of STI Shares to Mr Lusted and Mr Dowland respectively, which are financial benefits that require Shareholder approval for the purposes of section 208 of the Corporations Act.

Under section 208 of the Corporations Act, for a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

- (a) obtain the approval of the public company's members; and
- (b) give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act.

Shareholder approval is not being sought for the purposes of section 208 of the Corporations Act on the basis that the benefit is considered by the Board (absent the Executive Directors) to constitute reasonable remuneration and, therefore, the exception in section 211 of the Corporations Act applies. Section 211 provides that Shareholder approval is not required for the purposes of section 208 in circumstances where the benefit constitutes remuneration which would be reasonable given the Company's and the related party's circumstances.

Having considered the Company's circumstances and the Executive Directors' positions with the Company, the Board (absent the Executive Directors) considers that the financial benefit conferred by the issue of STI Shares to each of the Executive Directors is reasonable given the issue of STI Shares does not amount to any additional payment as the value of the STI Shares to be issued to the Executive Directors represents the Executive Directors' achieved short-term incentive which would otherwise be settled in cash and therefore, the exception in section 211 applies.

### **Section 195(4) of the Corporations Act**

Section 195(1) of the Corporations Act prohibits a director of a public company who has a material personal interest in a matter that is being considered at a directors' meeting from being present while the matter is being considered at the meeting or voting on the matter. If there is not a quorum of directors who are eligible to vote on a matter because of the operation of section 195(1) of the Corporations Act, one or more directors may call a general meeting and the general meeting may deal with the matter.

A Director does not have a material personal interest in the issue of STI Shares to another Director. However, given that it is proposed that all current Directors are either issued STI Shares pursuant to



Resolutions 6 and 7, Fee Rights pursuant to Resolutions 8, 9 and 10, or Performance Rights pursuant to Resolutions 4 and 5, they may be considered to have a material personal interest in the outcome of these Resolutions, in which case the Directors may be unable to form a quorum. Accordingly, the Board considers it prudent to exercise their right under section 195(4) of the Corporations Act and put the matter to Shareholders to resolve.

#### **Directors' recommendation**

Mr Lusted declines to make a recommendation about Resolution 6 as he may have a material personal interest in the outcome of the Resolution as it relates to the proposed issue of STI Shares to him individually.

Mr Dowland declines to make a recommendation about Resolution 7 as he may have a material personal interest in the outcome of the Resolution as it relates to the proposed issue of STI Shares to him individually.

ASIC Regulatory Guide 76: Related Party Transactions notes at paragraph 76.103 that it is good practice for directors to avoid making a recommendation for resolutions about each other's remuneration as there may be a conflict of interest.

Accordingly, each of the Directors declines to make a recommendation with respect to Resolutions 6 and 7. The Directors are not aware of any other information that would reasonably be required by the Shareholders to allow them to make a decision whether it is in the best interests of the Company to pass these Resolutions.

#### **Information Requirements - Listing Rules 10.14 and 10.15**

Listing Rule 10.14 provides that the Company must not permit any of the following persons to acquire Equity Securities under an employee incentive scheme:

- a director of the Company (Listing Rule 10.14.1);
- an Associate of a director of the Company (Listing Rule 10.14.12); or
- a person whose relationship with the Company or a person referred to in Listing Rule 10.14.1 or 10.14.2 is such that, in ASX's opinion, the acquisition should be approved by its Shareholders (Listing Rule 10.14.3),

unless it obtains the approval of its Shareholders.

The proposed issue of STI Shares to Mr Lusted and Mr Dowland pursuant to the Plan falls within Listing Rule 10.14.1 and therefore requires the approval of Shareholders under Listing Rule 10.14.

Resolution 6 seeks Shareholder approval for the purposes of Listing Rule 10.14 and for all other purposes to allow the Company to issue up to 879,315 STI Shares to Mr Lusted.

Resolution 7 seeks Shareholder approval for the purposes of Listing Rule 10.14 and for all other purposes to allow the Company to issue up to 679,897 STI Shares to Mr Dowland.

If these Resolutions are passed, the Company will be able to proceed with the issue of STI Shares to Mr Lusted and Mr Dowland as applicable.

The Board considers the passing of Resolutions 6 and 7 will have no material impact on each Directors' (or their nominee(s))'s Voting Power in the Company.

If Resolutions 6 or 7 are not passed the Company will not be able to proceed with the issue of STI Shares to Mr Lusted or Mr Dowland respectively and the Company will continue to settle the full amount of the achieved short-term incentive due to the relevant Executive Director in cash.

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

- (a) the STI Shares will be issued to Mr Lusted and Mr Dowland, on the terms set out in Annexure D to this Explanatory Memorandum;
- (b) Mr Lusted and Mr Dowland are Directors of the Company and therefore fall within Listing Rule 10.14.1;
- (c) up to 879,315 STI Shares will be issued to Mr Lusted subject to the passing of Resolution 6 and up to 679,897 STI Shares will be issued to Mr Dowland subject to the passing of Resolution 7;
- (d) each STI Share has a deemed issue price of 7.74 cents per STI Share, which is based on the Company's VWAP for the period of 7 March to 11 March 2022 (as set out in further detail above);
- (e) the current remuneration packages of each of Mr Lusted and Mr Dowland is shown in the table below:

<b>Participating Director</b>	<b>Base plus Conditional Salary (excluding Superannuation) as at 1 January 2022</b>	<b>2022 LTI Award %</b>	<b>2022 STI Award % of Achieved 2022 Base Salary (Excluding Superannuation)</b>	<b>2022 LTI Award Performance Rights based on Dec 2021 Australis VWAP (A\$0.0485)</b>
Ian Lusted	A\$425,000	70%	75%	6,134,021
Graham Dowland	A\$350,000	70%	65%	5,051,546

- (f) as set out in further detail above, the STI Shares are proposed to be issued to the Executive Directors in settlement of their achieved 2021 short-term incentives. The Executive Directors are entitled to remuneration for achieving the hurdles related to those short-term incentives in cash pursuant to the Plan, however for the reasons noted above, the Company is proposing to issue the STI Shares in lieu of such cash payment;
- (g) the terms and conditions of the STI Shares are set out in Annexure D to this Explanatory Memorandum;
- (h) the terms and conditions of the Plan are set out in Annexure A to this Explanatory Memorandum;
- (i) Performance Rights have previously been issued to Mr Lusted and Mr Dowland (or their nominee(s)) under the Plan. The number of Performance Rights and the average acquisition price paid by Mr Lusted and Mr Dowland (or their nominee(s)) for those Performance Rights is set out in Annexure A to this Explanatory Memorandum. The terms and conditions, including the performance hurdles, for the prior awards of Performance Rights to Mr Lusted and Mr Dowland are detailed in the 2018, 2019, 2020 and 2021 Remuneration Reports;

- (j) the STI Shares will be issued on a date, which will be no later than 1 month after the date of the Meeting unless otherwise extended by way of ASX granting a waiver to the Listing Rules;
- (k) the STI Shares will be issued for no cash consideration;
- (l) no funds will be raised from the issue of the STI Shares; and
- (m) a voting exclusion statement applies to these Resolutions as set out in the Notice.

If approval is given for the issue of STI Shares to Mr Lusted and Mr Dowland under Listing Rule 10.14, approval is not required under Listing Rule 7.1.

### Voting

Shareholders are urged to carefully read the Proxy Form and provide a direction to the proxy on how to vote on the Resolutions.

### RESOLUTIONS 8, 9 AND 10:

#### **ISSUE OF “FEE RIGHTS – A” TO MR JONATHAN STEWART, MR STEVE SCUDAMORE AND MR ALAN WATSON (OR THEIR NOMINEE(S)) IN LIEU OF NON-EXECUTIVE DIRECTOR CASH FEES (RESOLUTIONS 8, 9 AND 10 RESPECTIVELY)**

To reduce the cash burden on the Company in 2022, the non-executive Directors agreed at the commencement of 2022, similar to 2020 and 2021, to reduce the portion of their annual fees paid in cash in lieu of the Company issuing Fee Rights - A for no consideration on the terms and conditions set out in Annexure E to this Explanatory Memorandum.

Subject to the receipt of Shareholder approval,

- 50% of Mr Stewart’s 2022 fees (A\$114,155 excluding superannuation); and
- 50% of each of Mr Scudamore’s and Mr Watson’s 2022 fees (A\$45,662 excluding superannuation each),

will be settled in equity by the issue of rights which are able to be exercised into Shares (**Fee Rights – A**).

The deemed issue price of the Fee Rights - A is based on the Company’s VWAP for the period of 1 January to 31 March 2022, being 6.76 cents. The number of Fee Rights - A proposed to be issued to each Director is set out below.

Director	Number of Fee Rights - A proposed to be issued
Mr Jon Stewart	Up to 1,688,683
Mr Steve Scudamore	Up to 675,473
Mr Alan Watson	Up to 675,473

If a non-executive Director ceases to hold office during 2022, the number of Fee Rights - A vesting on 31 January 2023 will be reduced proportionally to the time served as a Director during 2022.

### **Rationale for the issue of Fee Rights – A**

In 2020 and 2021, the offer by non-executive Directors to materially reduce the portion of fees paid in cash was made specifically to conserve Company cash resources due to the volatility in oil price based on over-supply and reduction in demand for oil due to COVID-19 negatively impacting operating conditions. Whilst economic conditions within the oil and gas industry, including oil price have improved during the first quarter of 2022 the non-executive Directors consider it prudent to maintain a disciplined approach to cash management and have once again offered to reduce the portion of their annual fees paid in cash.

The Directors consider (in the absence of the non-executive Directors) the proposed issue of Fee Rights – A assists in the conservation of the Company’s cash through this period. The rationale for the proposed issue of Fee Rights – A to the Directors is set out in further detail below.

The proposed issue of Fee Rights - A is to compensate Mr Stewart, Mr Scudamore and Mr Watson for the sacrifice of 50% of each non-executive Director’s cash fees, an offer made by each non-executive Director at the commencement of 2022 to assist the Company to reduce cash expenditure through this stage of the Company’s development.

The Directors consider (in the absence of the non-executive Directors) that the compensation represented by the issue of Fee Rights - A are an efficient means for the Company to settle the non-executive Director’s fees whilst conserving cash. In the event Shareholders do not approve the issue of Fee Rights - A to a non-executive Director, the Company will continue to settle the full amount of that non-executive Director’s fees, together with superannuation due, in cash.

Shareholders should note that for the reasons noted above, it is proposed to grant Fee Rights - A to the non-executive Directors notwithstanding the guidelines contained in Box 8.2 of the ASX Corporate Governance Council’s Corporate Governance Principles and Recommendations (4<sup>th</sup> Edition) (**Principles**) which states that non-executive directors generally should not receive options with performance hurdles attached or performance rights as part of their remuneration as this may lead to bias in their decision-making and compromise their objectivity.

### **Related Party Transactions Generally**

Chapter 2E of the Corporations Act prohibits a public company from giving a financial benefit to a *related party* of the public company *unless* either:

- (a) the giving of the financial benefits falls within one of the nominated exceptions to the provision; or
- (b) Shareholder approval is obtained prior to the giving of the financial benefit and the benefit is given within 15 months after obtaining such approval.

For the purposes of Chapter 2E of the Corporations Act, Mr Stewart, Mr Scudamore and Mr Watson are related parties of the Company as they are Directors of the Company. Resolutions 8, 9 and 10 relate to a proposed issue of Fee Rights - A to Mr Stewart, Mr Scudamore and Mr Watson (or their nominee(s)) respectively, which are financial benefits that require Shareholder approval for the purposes of section 208 of the Corporations Act.

Under section 208 of the Corporations Act, for a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

- (a) obtain the approval of the public company’s members; and

(b) give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act.

Shareholder approval is not being sought for the purposes of section 208 of the Corporations Act on the basis that the benefit is considered by the Board (absent the non-executive Directors) to constitute reasonable remuneration and, therefore, the exception in section 211 of the Corporations Act applies. Section 211 provides that Shareholder approval is not required for the purposes of section 208 in circumstances where the benefit constitutes remuneration which would be reasonable given the Company's and the related party's circumstances.

Having considered the Company's circumstances and the non-executive Directors positions with the Company, the Board (absent the non-executive Directors) considers that the financial benefit conferred by the issue of Fee Rights – A to each of the non-executive Directors (or their nominee(s)) is reasonable given the issue of Fee Rights – A does not amount to any additional payment as the value of the Fee Rights - A to be issued to the non-executive Directors (or their nominees) represents the non-executive Directors' fees which would otherwise be settled in cash and therefore, the exception in section 211 applies.

### **Section 195(4) of the Corporations Act**

Section 195(1) of the Corporations Act prohibits a director of a public company who has a material personal interest in a matter that is being considered at a directors' meeting from being present while the matter is being considered at the meeting or voting on the matter. If there is not a quorum of directors who are eligible to vote on a matter because of the operation of section 195(1) of the Corporations Act, one or more directors may call a general meeting and the general meeting may deal with the matter.

A Director does not have a material personal interest in the issue of Fee Rights to another Director (or their nominee(s)). However, given that it is proposed that all current Directors are either issued Fee Rights pursuant to Resolutions 8, 9 and 10, STI Shares pursuant to Resolutions 6 and 7 or Performance Rights pursuant to Resolutions 4 and 5, they may be considered to have a material personal interest in the outcome of these Resolutions, in which case the Directors may be unable to form a quorum. Accordingly, the Board considers it prudent to exercise their right under section 195(4) of the Corporations Act and put the matter to Shareholders to resolve.

### **Directors' recommendation**

Mr Stewart declines to make a recommendation about Resolution 8 as he may have a material personal interest in the outcome of the Resolution as it relates to the proposed issue of Fee Rights- A to him individually (or his nominee(s)).

Mr Scudamore declines to make a recommendation about Resolution 9 as he may have a material personal interest in the outcome of the Resolution as it relates to the proposed issue of Fee Rights - A to him individually (or his nominee(s)).

Mr Watson declines to make a recommendation about Resolution 10 as he may have a material personal interest in the outcome of the Resolution as it relates to the proposed issue of Fee Rights – A to him individually (or his nominee(s)).

ASIC Regulatory Guide 76: Related Party Transactions notes at paragraph 76.103 that it is good practice for directors to avoid making a recommendation for resolutions about each other's remuneration as there may be a conflict of interest.

Accordingly, each of the Directors declines to make a recommendation with respect to Resolutions 8, 9, and 10. The Directors are not aware of any other information that would reasonably be required by

the Shareholders to allow them to make a decision whether it is in the best interests of the Company to pass these Resolutions.

### **Information Requirements - Listing Rules 10.11 and 10.13**

Listing Rule 10.11 provides that unless one of the exceptions in Listing Rule 10.12 applies, the Company must not issue or agree to issue Equity Securities to:

- a related party (*Listing Rule 10.11.1*);
- a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (30%+) holder in the Company (*Listing Rule 10.11.2*);
- a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (10%+) holder in the Company and who has nominated a Director to the Board pursuant to a relevant agreement which gives them a right or expectation to do so (*Listing Rule 10.11.3*);
- an Associate of a person referred to in Listing Rules 10.11.1 to 10.11.3 (*Listing Rule 10.11.4*); or
- a person whose relationship with the Company or a person referred to in Listing Rules 10.11.1 to 10.11.4 is such that, in ASX's opinion, the issue or agreement should be approved by Shareholders (*Listing Rule 10.11.5*),

unless it obtains the approval of its Shareholders.

The proposed issue of Fee Rights – A to Mr Stewart, Mr Scudamore and Mr Watson (or their nominee(s)) falls within Listing Rule 10.11.1 and does not fall within any of the exceptions in Listing Rule 10.12. It therefore requires the approval of Shareholders under Listing Rule 10.11.

Resolution 8 seeks Shareholder approval for the purposes of Listing Rule 10.11 and for all other purposes to allow the Company to issue up to 1,688,683 Fee Rights - A to Mr Stewart (or his nominee(s)).

Resolution 9 seeks Shareholder approval for the purposes of Listing Rule 10.11 and for all other purposes to allow the Company to issue up to 675,473 Fee Rights - A to Mr Scudamore (or his nominee(s)).

Resolution 10 seeks Shareholder approval for the purposes of Listing Rule 10.11 and for all other purposes to allow the Company to issue up to 675,473 Fee Rights - A to Mr Watson (or his nominee(s)).

If these Resolutions are passed, the Company will be able to proceed with the issue of Fee Rights – A to Mr Stewart, Mr Scudamore and Mr Watson (or their nominee(s)) as applicable.

The Board (in the absence of the non-executive Directors) considers the passing of Resolutions 8, 9 and 10 will have no material impact on each Directors' (or their nominee(s))'s Voting Power in the Company.

If Resolutions 8, 9 or 10 are not passed the Company will not be able to proceed with the issue of Fee Rights - A to Mr Stewart, Mr Scudamore or Mr Watson (or their nominee(s)) (as applicable) and the Company will continue to settle the full amount of the non-executive Director fees together with superannuation due to Mr Stewart, Mr Scudamore and Mr Watson in cash.

The following further information is provided to Shareholders for the purposes of Listing Rule 10.13:

- (a) the Fee Rights - A will be issued to Mr Stewart, Mr Scudamore and Mr Watson (or their nominee(s)), on the terms set out in Annexure E to this Explanatory Memorandum;
- (b) Mr Stewart, Mr Scudamore and Mr Watson are related parties of the Company under Listing Rule 10.11.1 as they are Directors of the Company;

- (c) the number of Fee Rights – A to be issued to each of Mr Stewart, Mr Scudamore and Mr Watson (or their nominee(s)) is set out in the table on page 15 of this Explanatory Memorandum and is based on the Company’s VWAP for the period of 1 January 2022 to 31 March 2022, being 6.76 cents;
- (d) the deemed issue price of the Fee Rights – A is 6.76 cents per Fee Right – A;
- (e) the terms and conditions of the Fee Rights – A are set out in Annexure E to this Explanatory Memorandum;
- (f) the purpose of proposed issue of Fee Rights – A is set out on page 16 of this Explanatory Memorandum under the heading “Rationale for the issue of Fee Rights - A”;
- (g) the Fee Rights – A will be issued on one date, which will be no later than 1 month after the date of the Meeting unless otherwise extended by way of ASX granting a waiver to the Listing Rules;
- (h) the Fee Rights – A will be issued for no cash consideration;
- (i) no funds will be raised from the issue of the Fee Rights - A;
- (j) Mr Stewart is a Director of the Company and, as such, is a related party of the Company and the issue of Fee Rights - A the subject of Resolution 8 is intended to remunerate Mr Stewart in lieu of cash fees;
- (k) Mr Scudamore is a Director of the Company and, as such, is a related party of the Company and the issue of Fee Rights - A the subject of Resolution 9 is intended to remunerate Mr Scudamore in lieu of cash fees;
- (l) Mr Watson is a Director of the Company and, as such, is a related party of the Company and the issue of Fee Rights - A the subject of Resolution 10 is intended to remunerate Mr Watson in lieu of cash fees; and
- (m) a voting exclusion statement applies to these Resolutions as set out in the Notice.

If approval is given for the issue of the Fee Rights - A under Listing Rule 10.11, approval is not required under Listing Rule 7.1.

### **Voting**

Shareholders are urged to carefully read the Proxy Form and provide a direction to the proxy on how to vote on the Resolutions.

## RESOLUTION 11 – RE-ADOPTION OF EMPLOYEE EQUITY INCENTIVE PLAN

Resolution 11 seeks approval of Shareholders for the re-adoption of the Australis Oil & Gas Limited Employee Equity Incentive Plan (**Plan**), the material terms of which are summarised in Annexure A to this Explanatory Memorandum. No changes to the Plan have been made since it was originally approved at the 2016 general meeting and none are proposed for this re-adoption.

The Plan was approved by Shareholders at the general meeting held on 27 June 2016 and re-approved by Shareholders at a general meeting held on 29 April 2019, in accordance with ASX Listing Rule 7.2 (Exception 13(b)) the Company is now seeking re-approval of the Plan.

57,827,802 Performance Rights, 44,054,182 Fee Rights and 7,880,396 fully paid ordinary shares have been issued, and a total of 12,599,494 Performance Rights and 1,176,750 Fee Rights have lapsed under the Plan since it was re-approved at the 2019 general meeting.

The Directors considered that it was desirable to establish an equity incentive plan under which employees, contractors and Directors may be offered the opportunity to subscribe for Options, Performance Rights and Shares in order to increase the range of potential incentives available to them and to strengthen links between the Company and its employees. Fee Rights have also been issued in lieu of cash salary assisting the Company's cash preservation strategy during periods of low oil prices.

The Plan is designed to provide incentives to the employees, contractors and Directors of the Company and to recognise their contribution to the Company's success. Under the Company's current circumstances, the Directors consider that the incentives to employees, contractors and Directors are a cost-effective and efficient incentive for the Company as opposed to alternative forms of incentives such as cash bonuses or increased remuneration. To enable the Company to secure and retain employees, contractors and Directors who can assist the Company in achieving its objectives, it is necessary to provide remuneration and incentives to such personnel.

The Plan is designed to encourage continued improvement in performance over time and to encourage personnel to acquire and retain significant shareholdings in the Company.

The purpose of the Plan is to:

- 1 assist in the reward, retention and motivation of eligible participants;
- 2 link the reward of eligible participants to performance and the creation of Shareholder value;
- 3 align the interests of eligible participants more closely with the interests of Shareholders by providing an opportunity for eligible participants to receive an equity interest in the form of Options, Performance Rights and Shares;
- 4 provide eligible participants with the opportunity to share in any future growth in value of the Company; and
- 5 provide greater incentive for eligible participants to focus on the Company's longer term goals.

Under the Plan, the Board may offer employees, contractors and Directors the opportunity to subscribe for such number of Options, Performance Rights and Shares as the Board may decide and on the terms set out in the rules of the Plan, a summary of which is contained in the Annexure A to this Explanatory Memorandum.

The specifics of any future incentives awarded pursuant to the Plan will be considered and approved by the Remuneration Committee and Board of Directors.

Shareholder approval is required if any issue of Options, Performance Rights and Shares pursuant to the Plan is to fall within the exception to the calculation of the 15% limit imposed by Listing Rule 7.1 on the number of securities which may be issued without Shareholder approval. Accordingly, Shareholder



approval is sought for the purposes of Listing Rule 7.2 Exception 13(b) which provides that Listing Rule 7.1 does not apply to an issue of securities under an employee incentive scheme that has been approved by the holders of ordinary securities within three years of the date of issue. Note, any proposed issue to Directors will still require shareholder approval.

The maximum number of Options, Performance Rights and Shares that may be proposed to be issued in the future under the Plan following Shareholder approval is expected to be 61,923,182 (being 5% of issued share capital). Once this number is reached the Company will need to seek fresh approval from Shareholders if the subsequent issue of Options, Performance Rights or Shares under the Plan is to fall within Listing Rule 7.2 Exception 13.

If the Resolution is passed, the Company will be able to issue Options, Performance Rights and Shares under the Plan up to the maximum number set out in this Notice. In addition, those issues of Options, Performance Rights and Shares will be excluded from the calculation of the number of Equity Securities that the Company can issue without Shareholder approval under Listing Rule 7.1.

If the Resolution is not passed, the Company will be able to proceed to issue Options, Performance Rights and Shares under the Plan, however the issue of those Options will not fall within the exception to the calculation of the 15% limit imposed by Listing Rule 7.1 and therefore effectively decreasing the number of Equity Securities which may be issued without Shareholder approval.

### **Voting**

Note that a voting exclusion applies to Resolution 11 as set out in the Notice.

Shareholders are urged to carefully read the Proxy Form and provide a direction to the proxy on how to vote on this Resolution.

## RESOLUTION 12 - ELECTION OF MR KIRK BARRELL AS A DIRECTOR

In the ordinary course, the Company's Remuneration and Nomination Committee proposes and the Board nominates directors for election by Shareholders at a general meeting of the Company.

Additionally, clause 6.1(o) of the Constitution provides that any Shareholder may nominate an individual as a candidate for election as director at a general meeting provided a Notice of Nomination signed by the Shareholder and a consent to the nomination signed by the individual is received by the Company within the requisite time period. Clause 6.1(p) of the Constitution provides that the requisite period is at least 35 business days before the Meeting, or such shorter period before the Meeting which the Directors in their discretion may approve.

On 16 March 2022, the Company received a Notice of Nomination from Barrell Energy, Inc., a 1.54% Shareholder in Australis, nominating Mr Kirk Barrell, President of Barrell Energy Inc, for the office of director at the Company's upcoming annual general meeting, being the Meeting convened by this Notice. A copy of the Notice of Nomination can be found at Annexure F to this Explanatory Memorandum.

The role of the Company's Remuneration and Nomination Committee and Board is to consider the appropriateness of each nominee and make recommendations to shareholders. Recommendations are based on many factors including the current composition of the Board including the skills, experience and qualifications of existing Board members as well as those of the nominee. The recommendation also considers the nominee's ability to make decisions for the benefit of all Shareholders.

A Statement of Qualifications and Experience (**Statement**) provided by Barrell Energy Inc. is reproduced in full within this Notice below.

The Board contacted Mr Barrell seeking verification for the information and claims contained within the Statement. Mr Barrell did not provide any verification for the information contained in his statement below as at the date of this Notice.

The Board has not verified the information contained within the Statement and does not take responsibility for any part of the Statement provided by Barrell Energy Inc.

### **Statement provided by Barrell Energy Inc.:**

*"Kirk A. Barrell has served as a geologist in the petroleum industry for over thirty-six years. His career has spanned across the United States Gulf Coast, Rocky Mountains, and Permian Basin. Mr. Barrell has explored and evaluated the Tuscaloosa Trend for thirty-two years. He is considered by the industry to be the expert in the Tuscaloosa Marine Shale. He has performed the most exhaustive trend-wide study of the entire play and has created the most advanced TMS geological analytics database in the industry. Mr. Barrell has presented at over two dozen industry conferences on the TMS Play. He has closed \$358 million of transactions over the past ten years. His network of contacts across the TMS Play are unmatched and his two offices are located directly proximal to the Tuscaloosa Trend. Mr. Barrell's track record, knowledge, and relationships would greatly benefit Australis in achieving the maximum value for their shareholders."*

The Board reiterates that the information within the above statement is unverified and makes the following additional comments:

- (a) The statement that Mr Barrell is "considered by the industry to be the expert in the Tuscaloosa Marine Shale" is the opinion of Mr Barrell and unsubstantiated. The Australis Board does not consider Mr Barrell the expert in the Tuscaloosa Marine Shale (**TMS**).
- (b) The Board does not agree with the statement that Mr Barrell has "performed the most exhaustive trend-wide study of the entire play and has created the most advanced TMS geological analytics database". Australis and the Schlumberger consortium have prepared

detailed play wide studies of the TMS geology which have benefitted from access to data from the majority of operators and wells drilled in the TMS. It is the understanding of the Board that Mr Barrell, who to our knowledge has not drilled, completed or operated any TMS wells, does not have access to this data.

- (c) The statement relating to transactions Mr Barrell claims he has “closed \$358 million of transactions over the past ten years” has not been verified by Mr Barrell despite the Board’s request. The Board is not aware of the transactions referred to in the Statement, nor the nature of Mr Barrell’s purported involvement.

### **Board recommendation**

**The Board has considered the nomination and unanimously recommends that shareholders vote AGAINST Mr Kirk Barrell’s election as a director.**

The key reasons for the unanimous recommendation against the election of Mr Barrell are as follows:

- (a) Mr Barrell may be conflicted by virtue of his position as the President of Amelia Resources LLC, a company that states on its website that it generates drilling prospects in the onshore United States and leverages knowledge, data, experience, and relationships to obtain capital partners for projects. Amelia Resources LLC states it has prospects over 175,000 acres in the TMS and a map on its website indicating these acres are in and around the Australis TMS area and so is a direct competitor to Australis in seeking investment capital in the play. Mr Barrell, including the Companies he is associated with, is an active participant in the TMS who has historically negotiated directly with Australis on his own behalf or on behalf of third party royalty owners.
- (b) Mr Barrell informed the Company in 2021 that he did not have any experience as a director of a public company, in Australia or in any other jurisdiction as at that time.
- (c) The existing Board has significant experience monetising onshore US oil and gas assets for Australian listed companies. The composition of the existing Board provides the necessary experience, skills and qualifications for the Company given its size and stage of development.
- (d) The costs of an additional appointment are unwarranted and undesirable at a time that the Board, together with all employees, are undertaking measures and sacrifices to preserve cash in the best interests of Shareholders.

## GLOSSARY

**2022 LTI Award** has the meaning set out in Annexure A to this Explanatory Memorandum.

**\$** means Australian dollars.

**Accounting Standards** has the meaning given to that term in the Corporations Act.

**Analytical Model** has the meaning set out in Annexure B to this Explanatory Memorandum.

**Annual Report** means the annual report of the Company for the year ended 31 December 2021.

**Associate** has the meaning given to that term in the Listing Rules.

**ASX** means ASX Limited ABN 98 008 624 691 and, where the context permits, the Australian Securities Exchange operated by ASX Limited.

**ATSR** has the meaning set out in Annexure C to this Explanatory Memorandum.

**Auditor** means the Company's auditor from time to time (if any).

**Auditor's Report** means the report of the Auditor contained in the Annual Report.

**Australis** means the Company.

**AWST** means western standard time as recognised in Perth, Western Australia.

**Board** means the Directors.

**Chair or Chairman** means the individual appointed under clause 5.5 of the Company's Constitution.

**Change of Control** has the meaning set out in Annexure E to this Explanatory Memorandum.

**Closely Related Party** has the meaning given to that term in the Corporations Act.

**Company** means Australis Oil and Gas Limited ABN 34 609 262 937.

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

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

**Corporations Regulations** means *Corporations Regulations 2001* (Cth).

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

**Equity Securities** has the meaning given to that term in the Listing Rules.

**Executive Directors** has the meaning set out in Annexure C to this Explanatory Memorandum.

**Explanatory Memorandum** means the explanatory memorandum accompanying this Notice.

**Fee Rights - A** has the meaning set out on page 15.

**First Exercise Date** means the date specified in the Offer, or if no date is specified, the date of issue of the Performance Rights.

**Group** means the Company and its Related Bodies Corporate and **Group Company** means the Company or any of its Related Bodies Corporate.

**Key Management Personnel** has the meaning given to that term in the Accounting Standards.

**Last Exercise Date** means the date specified in the Offer, or if no date is specified, the date two years after the First Exercise Date.

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

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

**Notice** means this Notice of Annual General Meeting.

**Offer** has the meaning set out in Annexure A to this Explanatory Memorandum.

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

**Participant** has the meaning set out in Annexure A to this Explanatory Memorandum.

**Performance Rights** means the performance rights issued under the Plan.

**Plan** means the Company's Employee Equity Incentive Plan as summarised in Annexure A to this Explanatory Memorandum.

**Poll Form** has the meaning set out on page 1.

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

**Remuneration Report** means the remuneration report set out in the 2021 Annual Report.

**Resolution** means a resolution contained in the Notice.

**Restricted Voter** means Key Management Personnel and their Closely Related Parties as at the date of the Meeting.

**RSM** means RSM Australia Pty Ltd.

**RTSR** has the meaning set out in Annexure C to this Explanatory Memorandum.

**Shareholder** means a member of the Company from time to time.

**Shares** means fully paid ordinary shares in the capital of the Company.

**Spill Meeting** has the meaning set out on page 2.

**Spill Resolution** has the meaning set out on page 2.

**STI Shares** has the meaning set out in Annexure D to this Explanatory Memorandum.

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

**TSR** has the meaning set out in Annexure C to this Explanatory Memorandum.

**Vesting Condition** has the meaning set out in Annexure A to this Explanatory Memorandum.

**Vesting Period** has the meaning set out in Annexure A to this Explanatory Memorandum.

**Voting Power** has the meaning given to that term in the Corporations Act.

**VWAP** has the meaning set out in Annexure C of this Explanatory Memorandum.

# AUSTRALIS OIL & GAS LIMITED

## ABN 34 609 262 937

### NOTICE OF ANNUAL GENERAL MEETING

Notice is given that the 2022 Annual General Meeting of Shareholders of Australis Oil & Gas Limited ABN 34 609 262 937 will be held on Wednesday, 25 May 2022 at 11 am AWST at the REIWA Building, Conference Room 2, Level 1, 215 Hay Street, Subiaco WA for the purpose of transacting the following business referred to in this Notice of Annual General Meeting.

### AGENDA

#### Financial Reports

To receive and consider the financial report of the Company for the year ended 31 December 2021, together with the Directors' Report and the Auditor's Report as set out in the Annual Report for the year ended 31 December 2021.

#### Resolution 1 – Non-Binding Resolution to adopt Remuneration Report

To consider and, if thought fit, pass the following resolution as a **non-binding resolution**:

*"That the Remuneration Report for the year ended 31 December 2021 as set out in the Annual Report for the year ended 31 December 2021 be adopted."*

**Note:** The vote on this Resolution is advisory only and does not bind the Directors or the Company. Shareholders are encouraged to read the Explanatory Memorandum for further details on the consequences of voting on this Resolution.

**Voting exclusion statement:** The Company will disregard any votes cast on the Resolution by or on behalf of a member of the Key Management Personnel whose remuneration details are included in the Remuneration Report, or their Closely Related Parties. However, the Company need not disregard a vote if:

(a) it is cast by a person as a proxy appointed by writing that specifies how the proxy is to vote on the proposed Resolution **or** the proxy is the Chair of the Meeting and the appointment of the Chair as proxy does not specify the way the proxy is to vote on the resolution and expressly authorises the Chair to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel; and

(b) it is not cast on behalf of a member of the Key Management Personnel whose remuneration details are included in the Remuneration Report, or their Closely Related Parties.

Further, a Restricted Voter who is appointed as a proxy will not vote on the Resolution unless:

(a) the appointment specifies the way the proxy is to vote on the Resolution; or

(b) the proxy is the Chair of the Meeting and the appointment expressly authorises the Chair to exercise the proxy even though the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel. Shareholders should note that the Chair intends to vote any undirected proxies in favour of the Resolution.

Shareholders may also choose to direct the Chair to vote against the Resolution or to abstain from voting.

If any of the persons named above purport to cast a vote other than as permitted above, that vote will be disregarded by the Company (as indicated above) and those persons may be liable for breaching the voting restrictions that apply to them under the Corporations Act.

#### Resolution 2 – Re-election of Mr Graham Dowland as a Director

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

*"That, Mr Graham Dowland, who retires in accordance with clause 6.1(f) of the Constitution and, being eligible for re-election, be re-elected as a Director."*

### **Resolution 3 – Re-election of Mr Alan Watson as a Director**

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

*"That, Mr Alan Watson, who retires in accordance with clause 6.1(f) of the Constitution and, being eligible for re-election, be re-elected as a Director."*

### **Resolution 4 – Issue of Performance Rights to Mr Ian Lusted or his nominee(s) pursuant to the 2022 LTI Award**

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

*"That, for the purposes of Listing Rule 10.14 and for all other purposes, the Directors are authorised to issue up to 6,134,021 Performance Rights for no cash consideration, with each Performance Right having an exercise price of nil and an expiry date of 31 January 2027, to Mr Ian Lusted, Director, or his nominee(s), pursuant to the 2022 LTI Award on the terms and conditions set out in the Explanatory Memorandum (including Annexures A to C to the Explanatory Memorandum)."*

**Voting exclusion statement:** The Company will disregard any votes cast in favour of the Resolution by or on behalf of:

- a) a person referred to in rule 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the employee incentive scheme in question; or
- b) an Associate of that person.

However, this does not apply to a vote cast in favour of the Resolution by:

- a) a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the directions given to the proxy or attorney to vote on the Resolution in that way; or
- b) the Chair of the Meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
  - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an Associate of a person excluded from voting, on the Resolution; and
  - (ii) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Further, a Restricted Voter who is appointed as a proxy will not vote on the Resolution unless:

- a) the appointment specifies the way the proxy is to vote on the Resolution; or
- b) the proxy is the Chair of the Meeting and the appointment expressly authorises the Chair to exercise the proxy even though the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel. Shareholders should note that the Chair intends to vote any undirected proxies in favour of the Resolution.

Shareholders may also choose to direct the Chair to vote against the Resolution or to abstain from voting.

If any of the persons named above purport to cast a vote other than as permitted above, that vote will be disregarded by the Company (as indicated above) and those persons may be liable for breaching the voting restrictions that apply to them under the Corporations Act.

### **Resolution 5 - Issue of Performance Rights to Mr Graham Dowland or his nominee(s) pursuant to the 2022 LTI Award**

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

*"That, for the purposes of Listing Rule 10.14 and for all other purposes, the Directors are authorised to issue up to 5,051,546 Performance Rights for no cash consideration, with each Performance Right having an exercise price of nil and an expiry date of 31 January 2027, to Mr Graham Dowland,*

Director, or his nominee(s), pursuant to the 2022 LTI Award on the terms and conditions set out in the Explanatory Memorandum (including Annexures A to C to the Explanatory Memorandum)."

**Voting exclusion statement:** The Company will disregard any votes cast in favour of the Resolution by or on behalf of:

- a) a person referred to in rule 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the employee incentive scheme in question; or
- b) an Associate of that person.

However, this does not apply to a vote cast in favour of the Resolution by:

- a) a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the directions given to the proxy or attorney to vote on the Resolution in that way; or
- b) the Chair of the Meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
  - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an Associate of a person excluded from voting, on the Resolution; and
  - (ii) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Further, a Restricted Voter who is appointed as a proxy will not vote on the Resolution unless:

- a) the appointment specifies the way the proxy is to vote on the Resolution; or
- b) the proxy is the Chair of the Meeting and the appointment expressly authorises the Chair to exercise the proxy even though the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel. Shareholders should note that the Chair intends to vote any undirected proxies in favour of the Resolution.

Shareholders may also choose to direct the Chair to vote against the Resolution or to abstain from voting.

If any of the persons named above purport to cast a vote other than as permitted above, that vote will be disregarded by the Company (as indicated above) and those persons may be liable for breaching the voting restrictions that apply to them under the Corporations Act.

## **Resolution 6 – Issue of STI Shares to Mr Ian Lusted in settlement of 2021 short-term incentive pursuant to the Australis Oil & Gas Limited Employee Equity Incentive Plan**

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

"That, for the purposes of Listing Rule 10.14 and for all other purposes, the Directors are authorised to issue up to 879,315 Shares (**STI Shares**) for no cash consideration, to Mr Ian Lusted, Director in settlement of the 2021 short-term incentive due to Mr Ian Lusted pursuant to the Plan on the terms and conditions set out in the Explanatory Memorandum (including Annexures A and D to the Explanatory Memorandum)."

**Voting exclusion statement:** The Company will disregard any votes cast in favour of the Resolution by or on behalf of:

- a) a person referred to in rule 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the employee incentive scheme in question; or
- b) an Associate of that person.

However, this does not apply to a vote cast in favour of the Resolution by:

- a) a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the directions given to the proxy or attorney to vote on the Resolution in that way; or
- b) the Chair of the Meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or



- c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
- (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an Associate of a person excluded from voting, on the Resolution; and
  - (ii) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Further, a Restricted Voter who is appointed as a proxy will not vote on the Resolution unless:

- a) the appointment specifies the way the proxy is to vote on the Resolution; or
- b) the proxy is the Chair of the Meeting and the appointment expressly authorises the Chair to exercise the proxy even though the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel. Shareholders should note that the Chair intends to vote any undirected proxies in favour of the Resolution.

Shareholders may also choose to direct the Chair to vote against the Resolution or to abstain from voting.

If any of the persons named above purport to cast a vote other than as permitted above, that vote will be disregarded by the Company (as indicated above) and those persons may be liable for breaching the voting restrictions that apply to them under the Corporations Act.

### **Resolution 7 – Issue of STI Shares to Mr Graham Dowland in settlement of 2021 short-term incentive pursuant to the Australis Oil & Gas Limited Employee Equity Incentive Plan**

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

*"That, for the purposes of Listing Rule 10.14 and for all other purposes, the Directors are authorised to issue up to 679,897 Shares (**STI Shares**) for no cash consideration, to Mr Graham Dowland, Director, in settlement of the 2021 short-term incentive due to Mr Graham Dowland pursuant to the Plan on the terms and conditions set out in the Explanatory Memorandum (including Annexures A and D to the Explanatory Memorandum)."*

**Voting exclusion statement:** The Company will disregard any votes cast in favour of the Resolution by or on behalf of:

- a) a person referred to in rule 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the employee incentive scheme in question; or
- b) an Associate of that person.

However, this does not apply to a vote cast in favour of the Resolution by:

- a) a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the directions given to the proxy or attorney to vote on the Resolution in that way; or
- b) the Chair of the Meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
  - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an Associate of a person excluded from voting, on the Resolution; and
  - (ii) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Further, a Restricted Voter who is appointed as a proxy will not vote on the Resolution unless:

- a) the appointment specifies the way the proxy is to vote on the Resolution; or
- b) the proxy is the Chair of the Meeting and the appointment expressly authorises the Chair to exercise the proxy even though the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel. Shareholders should note that the Chair intends to vote any undirected proxies in favour of the Resolution.

Shareholders may also choose to direct the Chair to vote against the Resolution or to abstain from voting.

If any of the persons named above purport to cast a vote other than as permitted above, that vote will be disregarded by the Company (as indicated above) and those persons may be liable for breaching the voting restrictions that apply to them under the Corporations Act.

### **Resolution 8 – Issue of Fee Rights - A to Mr Jonathan Stewart (or his nominee(s)) in lieu of non-executive Director cash fees**

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

*"That, for the purposes of Listing Rule 10.11 and for all other purposes, the Directors are authorised to issue 1,688,683 Fee Rights - A to Mr Jonathan Stewart, Director, or his nominee(s) in lieu of non-executive Director cash fees, on the terms and conditions set out in the Explanatory Memorandum (including Annexure E to the Explanatory Memorandum)."*

**Voting exclusion statement:** The Company will disregard any votes cast in favour of the Resolution by or on behalf of:

- a) Mr Stewart who is to receive the Fee Rights - A in question and any other person who will obtain a material benefit as a result of the issue of the Fee Rights (except a benefit solely by reason of being a holder of ordinary securities in the entity or his nominee); or
- b) an Associate of that person.

However, this does not apply to a vote cast in favour of the Resolution by:

- a) a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the directions given to the proxy or attorney to vote on the Resolution in that way; or
- b) the Chair of the Meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
  - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an Associate of a person excluded from voting, on the Resolution; and
  - (ii) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Further, a Restricted Voter who is appointed as a proxy will not vote on the Resolution unless:

- a) the appointment specifies the way the proxy is to vote on the Resolution; or
- b) the proxy is the Chair of the Meeting and the appointment expressly authorises the Chair to exercise the proxy even though the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel. Shareholders should note that the Chair intends to vote any undirected proxies in favour of the Resolution.

Shareholders may also choose to direct the Chair to vote against the Resolution or to abstain from voting.

If any of the persons named above purport to cast a vote other than as permitted above, that vote will be disregarded by the Company (as indicated above) and those persons may be liable for breaching the voting restrictions that apply to them under the Corporations Act.

### **Resolution 9 – Issue of Fee Rights - A to Mr Steve Scudamore (or his nominee(s)) in lieu of non-executive Director cash fees**

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

*"That, for the purposes of Listing Rule 10.11 and for all other purposes, the Directors are authorised to issue 675,473 Fee Rights - A to Mr Steve Scudamore, Director, or his nominee(s) in lieu of non-executive Director cash fees, on the terms and conditions set out in the Explanatory Memorandum (including Annexure E to the Explanatory Memorandum)."*

**Voting exclusion statement:** The Company will disregard any votes cast in favour of the Resolution by or on behalf of:

- a) Mr Scudamore who is to receive the Fee Rights - A in question and any other person who will obtain a material benefit as a result of the issue of the Fee Rights (except a benefit solely by reason of being a holder of ordinary securities in the entity or his nominee); or
- b) an Associate of that person.

However, this does not apply to a vote cast in favour of the Resolution by:

- a) a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the directions given to the proxy or attorney to vote on the Resolution in that way; or
- b) the Chair of the Meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
  - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an Associate of a person excluded from voting, on the Resolution; and
  - (ii) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Further, a Restricted Voter who is appointed as a proxy will not vote on the Resolution unless:

- a) the appointment specifies the way the proxy is to vote on the Resolution; or
- b) the proxy is the Chair of the Meeting and the appointment expressly authorises the Chair to exercise the proxy even though the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel. Shareholders should note that the Chair intends to vote any undirected proxies in favour of the Resolution.

Shareholders may also choose to direct the Chair to vote against the Resolution or to abstain from voting.

If any of the persons named above purport to cast a vote other than as permitted above, that vote will be disregarded by the Company (as indicated above) and those persons may be liable for breaching the voting restrictions that apply to them under the Corporations Act.

## **Resolution 10 – Issue of Fee Rights - A to Mr Alan Watson (or his nominee(s)) in lieu of non-executive Director cash fees**

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

*"That, for the purposes of Listing Rule 10.11 and for all other purposes, the Directors are authorised to issue 675,473 Fee Rights - A to Mr Alan Watson, Director, or his nominee(s) in lieu of non-executive Director cash fees, on the terms and conditions set out in the Explanatory Memorandum (including Annexure E to the Explanatory Memorandum)."*

**Voting exclusion statement:** The Company will disregard any votes cast in favour of the Resolution by or on behalf of:

- a) Mr Watson who is to receive the Fee Rights - A in question and any other person who will obtain a material benefit as a result of the issue of the Fee Rights (except a benefit solely by reason of being a holder of ordinary securities in the entity or his nominee); or
- b) an Associate of that person.

However, this does not apply to a vote cast in favour of the Resolution by:

- a) a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the directions given to the proxy or attorney to vote on the Resolution in that way; or
- b) the Chair of the Meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:

- (i) *the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an Associate of a person excluded from voting, on the Resolution; and*
- (ii) *the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.*

*Further, a Restricted Voter who is appointed as a proxy will not vote on the Resolution unless:*

- a) *the appointment specifies the way the proxy is to vote on the Resolution; or*
- b) *the proxy is the Chair of the Meeting and the appointment expressly authorises the Chair to exercise the proxy even though the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel. Shareholders should note that the Chair intends to vote any undirected proxies in favour of the Resolution.*

*Shareholders may also choose to direct the Chair to vote against the Resolution or to abstain from voting.*

*If any of the persons named above purport to cast a vote other than as permitted above, that vote will be disregarded by the Company (as indicated above) and those persons may be liable for breaching the voting restrictions that apply to them under the Corporations Act.*

## **Resolution 11 – Re-Adoption of the Australis Oil & Gas Limited Employee Equity Incentive Plan**

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

*"That for the purposes of Listing Rule 7.2 (Exception 13(b)) and for all other purposes, approval is given for the Company to re-adopt the Plan and for the issue of securities under that Plan, on the terms and conditions set out in the Explanatory Statement (including Annexure A to the Explanatory Memorandum)."*

**Voting exclusion statement:** *The Company will disregard any votes cast in favour of the Resolution by or on behalf of:*

- a) *any Director, other than any Directors who are ineligible to participate in the employee incentive plan; or*
- b) *an Associate of that person.*

*However, this does not apply to a vote cast in favour of the Resolution by:*

- a) *a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the directions given to the proxy or attorney to vote on the Resolution in that way; or*
- b) *the Chair of the Meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or*
- c) *a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:*
  - (i) *the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an Associate of a person excluded from voting, on the Resolution; and*
  - (ii) *the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.*

*Further, a Restricted Voter who is appointed as a proxy will not vote on the Resolution unless:*

- a) *the appointment specifies the way the proxy is to vote on the Resolution; or*
- b) *the proxy is the Chair of the Meeting and the appointment expressly authorises the Chair to exercise the proxy even though the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel. Shareholders should note that the Chair intends to vote any undirected proxies in favour of the Resolution.*

*Shareholders may also choose to direct the Chair to vote against the Resolution or to abstain from voting.*

*If any of the persons named above purport to cast a vote other than as permitted above, that vote will be disregarded by the Company (as indicated above) and those persons may be liable for breaching the voting restrictions that apply to them under the Corporations Act.*

## **Resolution 12 –Election of Mr Kirk Barrell as Director**

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

*“That, for the purpose of clause 6.1(n) of the Constitution and for all other purposes, Mr Kirk Barrell, a person nominated by a Shareholder for appointment as a Director, is elected as a Director.”*

## **OTHER BUSINESS**

---

**To deal with any other business which may be brought forward in accordance with the Constitution and the Corporations Act.**

---

Details of the definitions and abbreviations used in this Notice are set out in the Glossary to the Explanatory Memorandum.

**By order of the Board**



Graham Dowland  
Director

Dated: 19 April 2022

## Voting

Subject to the voting instructions on page 1 Shareholders entitled to vote at the Meeting can vote in any of the following ways.

### How to vote

Shareholders can vote by either:

- a) attending the Meeting in person or by attorney or, in the case of corporate Shareholders, by appointing a corporate representative to attend and vote; or
- b) appointing a proxy to attend and vote on their behalf using the Proxy Form accompanying this Notice and by submitting their proxy appointment and voting instructions in person, by post or by facsimile.

### Voting in person (or by attorney) or by a Corporation

- a) The Company and Board encourage all Shareholders to participate in general meetings such as this Meeting by attending and voting in person at the Meeting venue. This includes a Shareholder that is a corporation that has appointed an individual to act as its representative and vote in person at the Meeting.
- b) However due to the continuing impact of COVID-19 the Company acknowledges that not all Shareholders will be comfortable to attend even when all necessary precautions are taken. As such, the Board strongly encourages all Shareholders to vote by proxy following the instructions set out in this Notice and the enclosed Proxy Form.

### Voting by proxy

As a result of the continuing COVID-19 circumstances, we strongly encourage Shareholders to carefully consider whom they appoint as their proxy.

If a proxy, other than the Chair, cannot attend or is not admitted to the Meeting, the Chair will become the proxy. In this circumstance, the Chair will be directed by the voting preferences (if any) provided in the Proxy Form.

Please refer to the Proxy Form for further details.

- a) A Shareholder entitled to attend and vote is entitled to appoint not more than two proxies. Each proxy will have the right to vote on a poll and also to speak at the Meeting.
- b) The appointment of the proxy may specify the proportion or the number of votes that the proxy may exercise. Where two proxies are appointed and the appointment does not specify the proportion or number of the Shareholder's votes each proxy may exercise, each proxy may exercise half of the votes.
- c) A proxy need not be a Shareholder.

- d) The proxy can be either an individual or a body corporate.
- e) If a proxy is not directed how to vote on an item of business, the proxy may generally vote, or abstain from voting, as they think fit. However, where a Restricted Voter is appointed as a proxy, the proxy may only vote on Resolutions 1, 4, 5, 6, 7, 8, 9, 10, and 11 in accordance with a direction on how the proxy is to vote or, if the proxy is the Chair of the Meeting and the appointment expressly authorises the Chair to exercise the proxy even if the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.
- f) Should any resolution, other than those specified in this Notice, be proposed at the Meeting, a proxy may vote on that resolution as they think fit.
- g) If a proxy is instructed to abstain from voting on an item of business, they are directed not to vote on the Shareholder's behalf on the poll and the Shares that are the subject of the proxy appointment will not be counted in calculating the required majority.
- h) Shareholders who return their Proxy Forms with a direction how to vote, but who do not nominate the identity of their proxy, will be taken to have appointed the Chair of the Meeting as their proxy to vote on their behalf. If a Proxy Form is returned but the nominated proxy does not attend the Meeting, the Chair of the Meeting will act in place of the nominated proxy and vote in accordance with any instructions. Proxy appointments in favour of the Chair of the Meeting, the secretary or any Director that do not contain a direction how to vote will be used, where possible, to support each of the Resolutions proposed in this Notice, provided they are entitled to cast votes as a proxy under the voting exclusion rules which apply to some of the proposed Resolutions. These rules are explained in this Notice.
- i) To be effective, proxies must be received by 11:00 AM (AWST) on 23 May 2022. Proxies received after this time will be invalid.
- j) Proxies may be lodged using any of the following methods:
  - by returning a completed Proxy Form in person or by post using the pre-addressed envelope provided with this Notice to:

Australis Oil & Gas Ltd  
Ground Floor, 215 Hay Street, Subiaco,  
Western Australia
  - or
  - by email to [contact@australisoil.com](mailto:contact@australisoil.com)

or

– by faxing a completed Proxy Form to +61  
(0) 8 9220 8799.

- k) The Proxy Form must be signed by the Shareholder or the Shareholder's attorney. Proxies given by corporations must be executed in accordance with the Corporations Act. Where the appointment of a proxy is signed by the appointer's attorney, a certified copy of the Power of Attorney, or the power itself, must be received by the Company at the above address, or email to [contact@australisoil.com](mailto:contact@australisoil.com) or by facsimile, by 11:00 AM (AWST) on 23 May 2022. If facsimile transmission is used, the Power of Attorney must be certified.

#### **Shareholders who are entitled to vote**

In accordance with paragraphs 7.11.37 and 7.11.38 of the Corporations Regulations, the Board has determined that a person's entitlement to vote at the Annual General Meeting will be the entitlement of that person set out in the Register of Shareholders as at 5:00 PM (AWST) on 23 May 2022.

#### **Shareholders' Questions to the Chair and Board**

- a) The Company strongly encourages Shareholders who would like to ask questions on the Resolutions of the Chair, Board or management to do so in writing before the Meeting.
- b) Any written questions to the Company should be sent to: [contact@australisoil.com](mailto:contact@australisoil.com). Written questions that are sent to the Company must be received by no later than 11.00 (AWST) on 23 May 2022.
- c) Questions from Shareholders are important. Although the Board may not be able to reply to each question individually, the Board will respond to as many of the frequently asked questions as possible at the Meeting and those answers will be posted on the Company's website.

## ANNEXURE A - SUMMARY OF THE PLAN

### The Plan

The Plan was initially approved by Shareholders at the General Meeting held on 27 June 2016 and re-approved by Shareholders at the Annual General Meeting held on 29 April 2019. In accordance with Listing Rule 7.2 (Exception 13(b)), the Company is seeking approval for re-adoption of the Plan at this Meeting (Resolution 11). No changes to the Plan have been made since it was last approved at the General Meeting held on 29 April 2019.

Under the Plan, the Board may offer employees, contractors and Directors the opportunity to subscribe for such number of Options, Performance Rights and Shares as the Board may decide and on the terms and conditions set out in the rules of the Plan. For the purposes of the Plan, a Fee Right satisfies the definition of a Performance Right.

### Summary of the Plan

- (a) Eligibility: The Board may provide an offer to an employee or Director of the Company (or subsidiary of the Company) to participate in the Plan (**Offer**). Where such person (or a nominee of such person approved by the Board) accepts the Offer, he or she will become a participant under the Plan (**Participant**).
- (b) Offer: The Board may make an Offer at any time. The Offer will include the following information:
  - (i) the name and address of the person to whom the Offer is being made to;
  - (ii) the date of the Offer;
  - (iii) the final date that the person can accept the Offer;
  - (iv) the number of Options, Performance Rights or Shares being offered;
  - (v) the amount payable per Option, Performance Right or Share by the person on application for the Options, Performance Rights or Shares offered;
  - (vi) the conditions (if any) determined by the Board which are required to be satisfied, reached and met before an Option, Performance Right or Share will be issued, and whether not it is issued subject to further Vesting Conditions;
  - (vii) the Vesting Conditions attaching to the Options, Performance Rights or Shares (if applicable);
  - (viii) the First Exercise Date and Last Exercise Date of the Options, Performance Rights or Shares;
  - (ix) the exercise price or the manner of determining the exercise price of the Options, Performance Rights or Shares;
  - (x) the Vesting Period of the Options, Performance Rights or Shares; and
  - (xi) any other specific terms and conditions applicable to the Offer.
- (c) Issue Price: The issue price in respect of the Options, Performance Rights or Shares granted under the Plan is as determined by the Board at its discretion.
- (d) Nominees: A Participant may, by notice in writing to the Board, nominate a nominee in whose favour the Participant wishes the Options, Performance Rights or Shares to be issued. The Board may, in its sole and absolute discretion, decide not to permit the Options, Performance Rights or Shares to be issued to a nominee.
- (e) Transferability: Options, Performance Rights or Shares may not be assigned or transferred except on the death of the Participant in limited circumstances or with the prior consent of the Board.



- (f) Vesting: An Option, Performance Right or Share will vest when the Vesting Conditions attaching to the Option, Performance Right or Share are met, or immediately upon:
- (i) a takeover bid (as defined in the Corporations Act) becoming or being declared unconditional;
  - (ii) the Court sanctioning a compromise or arrangement relating to the Company under Part 5.1 of the Corporations Act;
  - (iii) any other merger, consolidation or amalgamation involving the Company occurring which results in the holders of Shares immediately prior to the merger, consolidation or amalgamation being entitled to 50% or less of the voting shares in the body corporate resulting from the merger, consolidation or amalgamation;
  - (iv) any Group Company entering into agreements to sell in aggregate a majority in value of the businesses or assets of the Group to a person, or a number of persons, none of which are Group Companies; or
  - (v) the Board determining in its reasonable opinion that control of the Company has or is likely to change or pass to one or more persons.
- (g) Lapse of Option, Performance Right or Share: An Option, Performance Right or Share will not vest and will lapse on the earlier of:
- (i) the Board determining that the Vesting Conditions attaching to the Option, Performance Right or Share have not been satisfied, reached or met in accordance with its terms or is not capable of being satisfied, reached or met;
  - (ii) the day immediately following the Last Exercise Date; or
  - (iii) with respect of unvested Options, Performance Rights or Shares, the date the Participant ceases to be employed by the Company or ceases to hold office in the Company, including upon the death, permanent disability or redundancy of the Participant, subject to certain exceptions.
- (h) Issue of Shares on vesting of Options or Performance Rights: Upon determination that the Performance Rights have vested, the vested Performance Rights may be exercised and following exercise of the Options or Performance Rights, the Company will, subject to the terms of the Company's relevant policies, issue or transfer Shares to that Participant and apply for official quotation or listing of those Shares on the ASX if applicable. Unless and until the Options or Performance Rights have been exercised and the relevant Shares issued or transferred to that Participant as a result of that exercise, a Participant has no interest in those Shares.
- (i) Ranking of Shares: Shares issued upon exercise of the Options or Performance Right will rank equally in all respects with existing Shares.
- (j) Adjustment of Options or Performance Rights: If, prior to the vesting of an Option or Performance Right, there is a reorganisation of the issued share capital of the Company (including a consolidation, sub-division or reduction of capital or return of capital to Shareholders), the number of Shares the subject of the Options or Performance Rights will be adjusted in a manner required by the Listing Rules.
- (k) Amendments to the Plan: Subject to and in accordance with the Listing Rules while the Company is listed, the Board may amend the Plan (without the necessity of obtaining the prior or subsequent consent of Shareholders of the Company), provided that rights or entitlements in respect of any Option, Performance Right or Share granted before the date of the amendment shall not be reduced or adversely affected without the prior written consent of the Participant affected by the amendment.

## Performance Rights and Fee Rights issued under the Plan

71,132,136 Performance Rights and 44,054,182 Fee Rights have been issued under the Plan since inception. A total of 19,050,362 Performance Rights have vested, 13,359,078 have lapsed and 38,722,696 remain unvested subject to achievement of performance hurdles in future performance periods. A total of 42,877,432 Fee Rights have vested and 1,176,750 have lapsed.

The Performance Rights and Fee Rights (in lieu of salary and other compensation) that have been issued to Mr Lusted and Mr Dowland or their nominee(s) under the Plan since the establishment of the Plan in 2016 to date are set out below.

Director	Number of Performance Rights					Number of Fee Rights – B issued and vested	Average Acquisition Price
			Lapsed	Unvested			
					% subject to share price thresholds (ATSR and RTSR)	Fee Rights were issued in lieu of cash remuneration in 2020	
Ian Lusted (or his nominee(s))	9,866,518	2,057,371	1,533,248	6,077,012	81%	9,861,125	Nil
Graham Dowland (or his nominee(s))	7,158,048	1,560,170	1,376,192	4,420,573	81%	7,019,458	Nil
<b>Total</b>	<b>17,024,566</b>	<b>3,617,541</b>	<b>2,909,440</b>	<b>10,497,585</b>	<b>81%</b>	<b>16,880,583</b>	

## Shares issued under the Plan

7,880,396 Shares have been issued under the Plan since it was re-adopted at the General Meeting on 29 April 2019 and no shares were issued under the Plan prior to the re-adoption. No Shares have been issued to Executive Directors under the Plan since its inception.

## Maximum number of Equity Securities that may be issued under the re-approved Plan

The maximum number of Equity Securities that may be issued for the three years following the approval of Resolution 11, the period until which the approval for the plan lapses, is 61,923,182 Equity Securities (5% of issued share capital).

Please note there is no current intention to issue the maximum, however, it is a requirement under the ASX Listing Rules to disclose a maximum possible number the Company may issue in the future. The Company is likely to continue in future years to offer LTI Awards in the form of Performance Rights, however, the number issued will be a function of various factors including but not limited to the terms of the LTI Award, base salaries and the number of employees participating.

If Shareholders do not approve Resolution 11 then any further grants under the Plan will not be exempt under Exception 13 of Listing Rule 7.2 from the calculation of the 15% capacity limit for the issue of new securities under Listing Rule 7.1 without share holder approval.

If Shareholder approval for Resolution 11 is not granted then the Board may consider alternative long-term incentive remuneration arrangements including, but not limited to, long-term cash incentives.

## ANNEXURE B – MONTE-CARLO VALUATION METHOD

The Company's advisers, RSM Australia Pty Ltd (RSM), have valued the Performance Rights using the Monte-Carlo simulation model and the Hoadley's "Options 1" valuation model (**Analytical Model**).

The Analytical Model has been used to value those Performance Rights for which only service conditions exist. The Monte-Carlo simulation model has been used to value those Performance Rights subject to ATSR and RTSR conditions in addition to service conditions.

The value of a Performance Right calculated by the Analytical Model and the Monte-Carlo Model is a function of a number of variables. The indicative valuation of the Performance Rights has been prepared using the following assumptions:

Variable	Tranche 1	Tranche 2	Tranche 3
Share price	\$0.080	\$0.080	\$0.080
Exercise price	Nil	Nil	Nil
Risk Free Interest Rate	1.51%	1.51%	2.15%
Volatility	80%	80%	80%
Time (years to expiry)	5	5	5
Dividend yield	Nil	Nil	Nil

RSM have calculated the value of each Performance Right based on the following assumptions:

- (a) the underlying value of each Share in the Company on the ASX using the closing price of A\$0.080 on 22 March 2022 being the most recent Trading Day prior to the valuation date of 23 March 2022 utilised by RSM;
- (b) risk free rate of return – 1.51% for Tranche 1 and 2 (estimated, based on the two-year yield for Commonwealth bonds) and 2.15% for Tranche 3 (estimated, based on the three-year yield for Commonwealth bonds); and
- (c) volatility of the Share price of 80% as determined from the historical volatility in Share price over the last one, two and three year periods.

Based on the assumptions, it is considered that the estimated average value of each Performance Right to be issued to the Executive Directors is as follows:

	Maximum Number of Performance Rights-under the 2022 LTI Plan Award		Valuation per Performance Right
	Ian Lusted	Graham Dowland	
Tranche 1 – Service condition	219,072	180,412	A\$0.080
Tranche 1 – ATSR hurdle	492,913	405,928	A\$0.0714
Tranche 1 – RTSR hurdle	164,304	135,309	A\$0.0638
Tranche 2 – Service condition	438,144	360,825	A\$0.080
Tranche 2 – ATSR hurdle	985,825	811,856	A\$0.0673
Tranche 2 – RTSR hurdle	328,608	270,619	A\$0.0629
Tranche 3 – Service condition	876,289	721,650	A\$0.080
Tranche 3 – ATSR hurdle	1,971,649	1,623,710	A\$0.0515
Tranche 3 – RTSR hurdle	657,217	541,237	A\$0.0579
<b>Total</b>	<b>6,134,021</b>	<b>5,051,546</b>	

Estimated Value of the proposed 2022 LTI Plan Award Performance Rights	Ian Lusted A\$	Graham Dowland A\$	Total A\$
Tranche 1	63,202	52,049	115,251
Tranche 2	122,067	100,526	222,593
Tranche 3	209,696	172,691	382,387
<b>Total</b>	<b>394,965</b>	<b>325,265</b>	<b>720,231</b>

Any change in the variables applied in the Analytical Model and the Monte Carlo calculation between the date of the valuation and the date the Performance Rights are issued would have an impact on their value.

### Company's historical Share price

The following table gives details of the highest, lowest and latest closing prices of the Company's Shares trading on ASX over the past 12 months ending on 14 April 2022:

Highest Price (A\$)/Date	Lowest Price (A\$)/Date	Latest Price (A\$)/Date
A\$0.083 / 24 March 2022	A\$0.039 / 10 September 2021	A\$0.068 / 14 April 2022

**Other Information**

Under the Australian equivalent of the International Financial Reporting Standards, the Company is required to expense the value of the Performance Rights in its statement of financial performance for the current financial year.

## ANNEXURE C – SUMMARY OF 2022 LTI AWARD AND TERMS OF THE PERFORMANCE RIGHTS

### The 2022 LTI Award

Resolutions 4 and 5 seek Shareholder approval for the issue of the following Performance Rights to the Executive Directors or their nominee(s) pursuant to the 2022 LTI Award:

Executive Director	Number of Performance Rights
Ian Lusted (or his nominee(s))	6,134,021
Graham Dowland (or his nominee(s))	5,051,546
<b>Total</b>	<b>11,185,567</b>

The proposed issue of Performance Rights to the Executive Directors or their nominee(s) in respect of the 2022 LTI Award will, subject to the satisfaction of the Vesting Conditions and performance hurdles (described below) vest in 3 tranches over a 3-year period as follows:

Tranche	Performance Test Period	Vesting Date	Number of Performance Rights vesting
Tranche 1	1 January 2022 to 31 December 2022	31 January 2023	Up to 1/7 <sup>th</sup> of the total 2022 LTI Award Performance Rights
Tranche 2	1 January 2022 to 31 December 2023	31 January 2024	Up to 2/7 <sup>th</sup> of the total 2022 LTI Award Performance Rights
Tranche 3	1 January 2022 to 31 December 2024	31 January 2025	Up to 4/7 <sup>th</sup> of the total 2022 LTI Award Performance Rights

### Service-based Vesting Condition

25% of the relevant tranche of a 2022 LTI Award will vest on the relevant vesting date subject to the Executive Directors remaining in the employment of the Company throughout the period from 1 January 2022 through to the vesting date for each tranche (**Vesting Period**).

75% of of the relevant tranche of a 2022 LTI Award will vest on the relevant vesting date subject to the Executive Directors remaining in the employment of the Company throughout the Vesting Period and achieving performance hurdles.

### Performance hurdles

#### *Absolute total shareholder return performance target*

Up to 56.25% of the relevant tranche of a 2022 LTI Award will vest on the relevant vesting date subject to the Executive Director remaining in the employment of the Company throughout the relevant test period and in accordance with the following vesting schedule dependent on the Company's absolute total shareholder return (**ATSR**) performance measure, being the increase from the Company's volume weighted average Share price (**VWAP**) for December 2021, of \$0.0485, to the Company's VWAP for the month of December prior to the vesting date for the relevant tranche.

ATS TSR per share increase compared to Dec 2021 VWAP A\$0.0485	Dec 21 VWAP up to 120%	120% < 135%	135% to <150%	150% to <165%	165% to <180%	180% to <200%	200%+
Vesting Date	% of Absolute TSR tested tranche that vests						
31 Jan 2023	0%	40%	60%	80%	100%	100%	100%
31 Jan 2024	0%	20%	40%	60%	80%	100%	100%
31 Jan 2025	0%	10%	20%	40%	60%	80%	100%

#### *Relative total shareholder return performance target*

Up to 18.75% of the relevant tranche of a 2022 LTI Award will vest on the relevant vesting date subject to the Executive Director remaining in the employment of the Company throughout the relevant test period and is dependent on the Company's relative total shareholder return (**RTSR**) performance (being the comparison of the Company's VWAP for the month of December prior to the relevant vesting date to that of the Company's VWAP for the month of December 2021 of \$0.0485) with the total shareholder return (**TSR**) performance of a selected peer group of ASX listed companies for the relevant Vesting Period.

Each peer company's TSR is calculated by comparing its VWAP for the month of December in the most recent period prior to the vesting date for the relevant tranche with its December 2021 VWAP. The ranking of the Company's TSR performance within the peer group will determine the achieved percentage of the relevant tranche of the 2022 LTI Award that will vest on a particular vesting date. For each percentile increment that the Company's TSR exceeds the 50<sup>th</sup> percentile of the peer group, 2% of the 2022 LTI Award subject to the RTSR performance target vests.

#### *Retest*

The 2022 LTI Award incorporates a retest facility whereby any Performance Rights that do not vest on the Tranche 1 and/or Tranche 2 vesting dates pursuant to the ATSR and/or RTSR performance targets will be retested at the Tranche 3 vesting date in accordance with the Tranche 3 performance hurdles.

#### **Terms of the Performance Rights**

The terms of the Performance Rights are as follows:

##### **Issue price**

- (a) Each Performance Right will be issued for nil cash consideration.

##### **Rights**

- (b) The Performance Rights do not carry any voting rights in the Company.
- (c) The Performance Rights do not entitle the holder to any dividends.
- (d) The Performance Rights do not confer any right to participate in the surplus profits or assets of the Company upon winding up of the Company.



- (e) The Performance Rights do not confer any right to a return of capital, whether in a winding up, upon a reduction of capital or otherwise.
- (f) The Performance Rights do not confer the right to participate in new issues of securities such as entitlement issues. 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) and no Share has been issued in respect of the Performance Right before the record date for determining the entitlements to the bonus issue, the number of Shares which must be issued on the conversion of a Performance Right will be increased by the number of Shares which the holder would have received if the relevant Performance Right had converted before the record date for the bonus issue.
- (g) If at any time the issued capital of the Company is reorganised, the Performance Rights are to be treated in the manner set out in Listing Rule 7.2 (or other applicable Listing Rule), being that the number of Performance Rights or the conversion ratio or both will be reorganised so that the holder of the Performance Rights will not receive a benefit that holders of Shares do not receive and so that the holders of Shares will not receive a benefit that the holder of the Performance Rights does not receive.
- (h) The Performance Rights give the holder no rights other than those expressly provided by these terms and conditions and those provided at law where such rights at law cannot be excluded by these terms and conditions.

#### **Vesting and exercise**

- (i) Subject to these terms, once vested, each Performance Right may be exercised to convert into one Share. The Performance Rights may be exercised by the Participant delivering to the Company Secretary the certificate for the Performance Rights and a notice of exercise in a form approved by the Board signed by the Participant.
- (j) The Company must issue or transfer Shares into the name of the Participant (or its nominee(s)) within 15 days of delivery of the documents referred to in (i) above.
- (k) Each Share issued or transferred on exercise of a Performance Right will rank equally with a fully paid ordinary share in the capital of the Company.
- (l) The Performance Rights will not be quoted on any securities exchange and the Company will not make an application for quotation in respect of them. However, application will be made to ASX for official quotation of any Shares issued pursuant to the exercise of the Performance Rights, to the extent required by Listing Rule 2.4 if the Company is listed on the ASX at the relevant time.

#### **Expiry**

- (m) If a Vesting Condition is not satisfied on or before 31 January 2025, the relevant Performance Rights will immediately and automatically lapse. If a vested Performance Right is not exercised on or before 31 January 2027, the relevant Performance Right will immediately and automatically lapse.

#### **Transferability**

- (n) The Performance Rights are not transferable. The Board has determined that no approval for the transfer of the Performance Rights will be granted.

### **Compliance with Corporations Act, Listing Rules and Constitution**

- (o) Despite anything else contained in these terms and conditions, if the Corporations Act, Listing Rules or Constitution prohibits an act being done, that act must not be done.
- (p) Nothing contained in these terms and conditions prevents an act being done that the Corporations Act, Listing Rules or Constitution require to be done.
- (q) If the Corporations Act, Listing Rules or Constitution conflict with these terms and conditions, or these terms and conditions do not comply with the Corporations Act, Listing Rules or the Constitution, the holder authorises the Company to do anything necessary to rectify such conflict or non-compliance, including but not limited to unilaterally amending these terms and conditions.
- (r) The terms of the Performance Rights may be amended as necessary by the Board in order to comply with the Listing Rules, or any directions of ASX regarding the terms, provided that rights and entitlements in respect of any Performance Rights issued before the date of the amendment shall not be reduced or adversely affected without the prior written approval from the affected Participant.

## ANNEXURE D – TERMS OF STI SHARES

Resolutions 6 and 7 seek Shareholder approval for the issue of the fully paid ordinary shares to the Executive Directors in settlement of achieved 2021 short-term incentive. The STI Shares will be issued in accordance with the terms and conditions of the Australis Oil & Gas Limited Employee Equity Incentive Plan.

The number of STI Shares proposed to be issued in settlement of the achieved 2021 short-term incentive is based on the Company's VWAP for the period 7 March to 11 March 2022.

Director	Number of STI Shares proposed to be issued
Mr Ian Lusted	Up to 879,315
Mr Graham Dowland	Up to 679,897

Subject to the receipt of Shareholder approval, the STI Shares will be issued on a date which will be no later than 1 month after the date of the Meeting.

## **ANNEXURE E - TERMS OF FEE RIGHTS - A**

The terms of the Fee Rights - A are as follows:

### **Issue price**

- (a) Each Fee Right will be issued for nil cash consideration.

### **Rights**

- (b) The Fee Rights do not carry any voting rights in the Company.
- (c) The Fee Rights do not entitle the holder to any dividends.
- (d) The Fee Rights do not confer any right to participate in the surplus profits or assets of the Company upon winding up of the Company.
- (e) The Fee Rights do not confer any right to a return of capital, whether in a winding up, upon a reduction of capital or otherwise.
- (f) The Fee Rights do not confer the right to participate in new issues of securities such as entitlement issues. 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) and no Share has been issued in respect of the Fee Rights before the record date for determining the entitlements to the bonus issue, the number of Shares which must be issued on the conversion of a Fee Right will be increased by the number of Shares which the holder would have received if the relevant Fee Right had converted before the record date for the bonus issue.
- (g) If at any time the issued capital of the Company is reorganised, the Fee Rights are to be treated in the manner set out in Listing Rule 7.21 (or other applicable Listing Rule), being that the number of Fee Rights or the conversion ratio or both will be reorganised so that the holder of the Fee Rights will not receive a benefit that holders of ordinary shares do not receive and so that the holders of ordinary shares will not receive a benefit that the holder of the Fee Rights does not receive.
- (h) The Fee Rights give the holder no rights other than those expressly provided by these terms and conditions and those provided at law where such rights at law cannot be excluded by these terms and conditions.

### **Vesting and exercise**

- (i) Fee Rights vest on 31 January 2023 (or earlier on a Change of Control)
- (j) If a non-executive Director ceases to hold office at any time during the period from grant to 31 December 2022, the amount of Fee Rights that vest on 31 January 2023 reduces proportionally to the time served as a Director during 2022.
- (k) Subject to these terms, once vested, each Fee Right may be exercised to convert into one ordinary Share. The Fee Rights may be exercised by the holder delivering to the Company Secretary the certificate for the Fee Rights and a notice of exercise in a form approved by the Board signed by the holder.
- (l) The Company must issue or transfer Shares into the name of the holder (or its nominee(s)) within 15 days of delivery of the documents referred to in (l) above.

- (m) Each Share issued or transferred on exercise of a Fee Right will rank equally with a fully paid ordinary share in the capital of the Company.
- (n) The Fee Rights will not be quoted on any securities exchange and the Company will not make an application for quotation in respect of them. However, application will be made to the ASX for official quotation of any Shares issued pursuant to the exercise of the Fee Rights, to the extent required by Listing Rule 2.4 if the Company is listed on the ASX at the relevant time.

### **Expiry**

- (o) Fee Rights will expire 2 years from the date of vesting.

### **Exercising of a Fee Right**

- (p) A vested Fee Right can be exercised either:
  - a. during the 10 ASX Trading Days following the release of either:
    - i. The first or third quarters activities report,
    - ii. The half yearly financial report
    - iii. the annual audited financial statements
  - b. the 10 ASX Trading Days prior to the expiry date being 2 years from vesting, or
  - c. within 10 ASX Trading Days of receiving approval from the Chairman, or in the case of the Chairman from the Lead Independent Director.

### **Transferability**

- (q) The Fee Rights are not transferable. The Board has determined that no approval for the transfer of the Fee Rights will be granted.

### **Compliance with Corporations Act, Listing Rules and Constitution**

- (r) Despite anything else contained in these terms and conditions, if the Corporations Act, Listing Rules or Constitution prohibits an act being done, that act must not be done.
- (s) Nothing contained in these terms and conditions prevents an act being done that the Corporations Act, Listing Rules or Constitution require to be done.
- (t) If the Corporations Act, Listing Rules or Constitution conflict with these terms and conditions, or these terms and conditions do not comply with the Corporations Act, Listing Rules or the Constitution, the holder authorises the Company to do anything necessary to rectify such conflict or non-compliance, including but not limited to unilaterally amending these terms and conditions.
- (u) The terms of the Fee Rights may be amended as necessary by the Board in order to comply with the Listing Rules, or any directions of ASX regarding the terms, provided that rights or entitlements in respect of any Fee Rights issued before the date of the amendment shall not be reduced or adversely affected without the prior written approval of the affected holder.

**Change of Control** means a Shareholder, or a group of associated Shareholders:

- (v) becoming entitled to sufficient Shares in the Company to give it or them the ability, in general meeting, to replace all or a majority of the Board; or
- (w) gaining the ability to control more than 50% of the Voting Power in the Company.

ANNEXURE F – NOTICE OF NOMINATION



3/14/22

By e-mail

Ms Julie Foster  
Company Secretary  
Ground Floor, 215 Hay Street  
Subiaco WA 6008  
Australia

[jfoster@australisoil.com](mailto:jfoster@australisoil.com) and [contact@australisoil.com](mailto:contact@australisoil.com)

Dear Ms Foster

**Nomination of Mr Kirk A Barrell as a director of Australis Oil & Gas Limited**

I am the president of Barrell Energy, Inc. (Barrell Energy), a member of Australis Oil & Gas Limited (Company).

In accordance with rule 6.1(o) of the Company's constitution, Barrell Energy hereby nominates MR KIRK A BARRELL for the office of director of the Company. Barrell Energy serves this notice on the Company by electronic mail in accordance with rules 6.1(p) and 13.3 of the Company's constitution.

Please find enclosed my signed consent to act as a director of the Company. I would be happy to provide the original signed consent to act and nomination letter on request.

Please also find enclosed a short statement regarding my qualifications and experiences for inclusion in the Company's notice of meeting for its 2022 annual general meeting.

Yours sincerely

A handwritten signature in red ink that reads "Kirk A. Barrell".

Kirk A Barrell  
President  
Barrell Energy, Inc.

1409 Octavia Street, New Orleans, LA, 70115  
[www.barrellenergy.com](http://www.barrellenergy.com)

# PROXY FORM

**AUSTRALIS OIL & GAS LIMITED**  
**ABN 34 609 262 937**

## Appointment of Proxy

If appointing a proxy to attend the Annual General Meeting on your behalf, please complete the form and submit it in accordance with the directions on the reverse side of this page. I/We \_\_\_\_\_ of \_\_\_\_\_, being a Shareholder/Shareholders of Australis Oil & Gas Limited, pursuant to my/our right to appoint not more than two proxies, appoint:

<input type="checkbox"/>	The Chair of the Meeting (mark with an "X")	<b>OR</b>	<input type="text"/>	Write here the name of the person you are appointing if this person is someone other than the Chair of the Meeting.
			<input type="text"/>	Write here the name of the person you are appointing as a second proxy (if any).

or failing him/her, (or if no proxy is specified above), the Chair of the Meeting, as my/our proxy to vote for me/us and on my/our behalf at the Annual General Meeting to be held at REIWA Building, Conference Room 2, Level 1, 215 Hay Street, Subiaco, Western Australia 6008 and at any adjournment of that Meeting.

This proxy is to be used in respect of \_\_\_\_\_% of the ordinary Shares I/we hold.

## Voting directions to your Proxy

**Important for Resolutions 1, 4, 5, 6, 7, 8, 9 10 and 11– If the Chair of the Meeting is your proxy or is appointed as your proxy by default**

Where I/we have appointed the Chair of the Meeting as my/our proxy (or the Chair becomes my/our proxy by default), I/we expressly authorise the Chair of the Meeting to vote in accordance with the Chair's voting intentions on Resolutions 1, 4, 5, 6, 7, 8, 9 10 and 11 (except where I/we have indicated a different voting intention) even though Resolutions 1, 4, 5, 6, 7, 8, 9 10 and 11 are connected directly or indirectly with the remuneration of a member of Key Management Personnel, which includes the Chair of the Meeting.

**The Chair of the Meeting intends to vote all available undirected proxies in FAVOUR of Resolutions 1 to 11 (inclusive) and AGAINST Resolution 12.**

RESOLUTION	For	Against	Abstain*
1. Non-binding Resolution to adopt Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. Re-election of Mr Graham Dowland as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Re-election of Mr Alan Watson as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. Issue of Performance Rights to Mr Ian Lusted or his nominee(s)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. Issue of Performance Rights to Mr Graham Dowland or his nominee(s)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. Issue of Shares to Mr Ian Lusted in settlement of 2021 short-term incentive	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. Issue of Shares to Mr Graham Dowland in settlement of 2021 short-term incentive	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8. Issue of Fee Rights - A to Mr Jonathan Stewart or his nominee(s) in lieu of non-executive Director cash fees	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9. Issue of Fee Rights - A to Mr Steve Scudamore or his nominee(s) in lieu of non-executive Director cash fees	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10. Issue of Fee Rights - A to Mr Alan Watson or his nominee(s) in lieu of non-executive Director cash fees	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11. Re-adoption of the Australis Oil & Gas Limited Employee Equity Incentive Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
12. Election of Mr Kirk Barrell as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

If no directions are given my proxy may vote as the proxy thinks fit or may abstain.

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

## PLEASE SIGN HERE

This section *must* be signed in accordance with the instructions overleaf to enable your directions to be implemented.

If executed by a company, executed in accordance with section 127 of the *Corporations Act 2001* (Cth):

<b>Individual or Shareholder 1</b>	<b>Joint Shareholder 2</b>	<b>Joint Shareholder 3</b>
<input type="text"/>	<input type="text"/>	<input type="text"/>
<b>Sole Director and Sole Company Secretary</b>	<b>Director</b>	<b>Director/Company Secretary</b>

Date: \_\_\_\_\_/\_\_\_\_\_/2022

\_\_\_\_\_  
Contact Name

\_\_\_\_\_  
Contact Business Telephone/Mobile

## INSTRUCTIONS FOR COMPLETING PROXY FORM

1. If a proxy, other than the Chair, cannot attend or is not admitted to the Meeting, the Chair will become the proxy. In this circumstance, the Chair will be directed by the voting preferences (if any) provided in the Proxy Form.
2. A Shareholder of the Company entitled to attend and vote is entitled to appoint not more than two proxies. Where more than one proxy is appointed, each proxy must be appointed to represent a specified proportion of the Shareholder's voting rights. If the Shareholder appoints two proxies and the appointment does not specify this proportion, each proxy may exercise half of the votes.
3. A proxy need not be a Shareholder of the Company.
4. If you mark the abstain box for a particular item, you are directing your proxy not to vote on that item on a show of hands or on a poll and that your Shares are not to be counted in computing the required majority on a poll.
5. Should any resolution, other than those specified in this Notice, be proposed at the Meeting, a proxy may vote on that resolution as they think fit.

### 6. **Signing Instructions**

You must sign this form as follows in the spaces provided:

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

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

**Power of Attorney:** If you are signing under a Power of Attorney, you must lodge an original or certified photocopy of the appropriate Power of Attorney with your completed Proxy Form.

**Companies:** Where the company has a Sole Director who is also the Sole Company Secretary, this Proxy Form must be signed by that person.

If the company (pursuant to section 204A of the Corporations Act) does not have a Company Secretary, a Sole Director can also sign alone.

Otherwise this Proxy Form must be signed by a Director jointly with either another Director or a Company Secretary. Please indicate the office held by signing in the appropriate place.

### 7. **Lodgement of a Proxy**

This Proxy Form (and any Power of Attorney under which it is signed) must be received at the address below not later than 11:00 AM (AWST) on 23 May 2022 (48 hours before the commencement of the Meeting). Any Proxy Form received after that time will not be valid for the scheduled Meeting.

**By mail:** Ground Floor, 215 Hay Street, Subiaco, Western Australia

**By fax** +61 (0) 8 9220 8799

**By email** [contact@australisoil.com](mailto:contact@australisoil.com)



*This page has been left blank intentionally.*

*This page has been left blank intentionally.*