



16 October 2020

**3D Oil Limited**  
Level 18, 41 Exhibition Street  
Melbourne VIC 3000  
Tel: +61 3 9650 9866  
Fax: +61 3 9639 1960  
[www.3doil.com.au](http://www.3doil.com.au)

## NOTICE OF ANNUAL GENERAL MEETING

**Notice is given that the Annual General Meeting of shareholders of 3D Oil Limited (the "Company") will be held virtually via a webinar conferencing facility at 3.00pm (AEDT) on Tuesday, 17 November 2020 ("Annual General Meeting" or "Meeting").**

In accordance with subsection 5(1)(f) of the Corporations (Coronavirus Economic Response) Determination (No.1) 2020 made by the Commonwealth Treasurer on 5 May 2020, the Company will not be dispatching physical copies of the Notice of Meeting. Instead the Notice of Meeting and accompanying explanatory statement (Meeting Materials) including the Company's 2020 Annual Report are being made available to shareholders electronically. This means that:

- You can access the Meeting Materials and 3D Oil's 2020 Annual Report online at the Company's website <https://www.3doil.com.au/> or at the Company's share registry's website [www.investorvote.com.au](http://www.investorvote.com.au) by logging in.
- A complete copy of the Meeting Materials and 3D Oil's 2020 Annual Report has been posted to the Company's ASX Market announcements page at [www.asx.com.au](http://www.asx.com.au) under the Company's ASX code "TDO".
- If you have provided an email address and have elected to receive electronic communications from the Company, you will receive an email to your nominated email address with a link to an electronic copy of the Meeting materials and the voting instruction form.
- You can also download TDO's 2020 Annual Report from the link: <https://www.3doil.com.au/investors/annual-reports>

If you would like to receive electronic communications from the Company in the future, please update your communication elections online at [www.investorcentre.com/contact](http://www.investorcentre.com/contact). If you have not yet registered, you will need your shareholder information including SRN/HIN details.

If you are unable to access the Meeting Materials online please contact our share registry Computershare Investor Services Pty Limited on 1300 850 505 (within Australia) or +61 3 9415 4000 (Outside Australia) between 8:30am and 8:00pm (AEDT) Monday to Friday, to arrange a copy.

As a result of the potential health risks and the Governments restrictions in response to the COVID-19 pandemic, the Meeting will be held via a webinar conferencing facility. Details of how to register to attend the Meeting are contained in the Meeting Materials. The Company strongly recommends to Shareholders to lodge a directed proxy as soon as possible in advance of the meeting even if they are planning to attend the meeting online.

Yours sincerely,

A handwritten signature in blue ink, appearing to read "S Ross".

Stefan Ross  
Joint Company Secretary  
3D Oil Limited



**3D OIL LIMITED**  
**ACN 105 597 279**

# **Notice of Annual General Meeting**

## **Explanatory Statement and Proxy Form**

Date of Meeting:  
**Tuesday, 17 November 2020**

Time of Meeting:  
**3:00PM (AEDT)**

Due to the ongoing COVID-19 pandemic, the meeting will be held virtually via a webinar conferencing facility. If you are a shareholder who wishes to attend and participate in the virtual meeting, please register in advance as per the instructions outlined in this Notice of Meeting. Shareholders are strongly encouraged to lodge their completed proxy forms in accordance with the instructions in this Notice of Meeting.

Following recent modifications brought to the Corporations Act 2001 and the Corporations Regulations 2001 under the Corporations (Coronavirus Economic Response) Determination (no.1) 2020, **no hard copy** of the Notice of Annual General Meeting and Explanatory Statement will be circulated. The Notice of Meeting has been given to those entitled to receive by use of one or more technologies. The Notice of Meeting is also available on the Australian Securities Exchange announcement platform and on the Company's website: [www.3doil.com.au](http://www.3doil.com.au).

*This Notice of Annual General Meeting and Explanatory Statement should be read in its entirety. If shareholders are in doubt as to how they should vote, they should seek advice from their accountant, solicitor or other professional advisor without delay*

# 3D OIL LIMITED

ACN 105 597 279

Registered office: Level 18, 41 Exhibition Street, Melbourne, Victoria 3000

## NOTICE OF ANNUAL GENERAL MEETING

**Notice is hereby given that the Annual General Meeting of Members of 3D Oil Limited (the “Company”) will be held virtually via a webinar conferencing facility at 3:00pm (AEDT) on Tuesday, 17 November 2020.**

The health and safety of members and personnel, and other stakeholders, is the highest priority and the Company is acutely aware of the current circumstances resulting from COVID-19. While the COVID-19 situation remains volatile and uncertain, based on the best information available to the Company at the time of preparing the Notice of Annual General Meeting (“**Notice**”), the Company intends to conduct a poll on the resolutions in the Notice using the proxies filed prior to the Meeting.

Shareholders are strongly encouraged to submit their proxies as early as possible and in any event prior to the cut-off for proxy voting as set out in the Notice. To lodge your proxy, please follow the directions on your personalised proxy form which will be delivered to you by email or post (depending on your communication preferences).

Shareholders attending the AGM virtually will be able to ask questions and the Company has made provision for Shareholders who register their attendance before the start of the meeting to also cast their votes on the proposed resolutions. Shareholders who intend to join the AGM are asked to dial-in 30 minutes prior to the start of the meeting to allow the Company to take your details. The virtual meeting can be attended using the following details:

**When:** Tuesday, 17 November 2020 at 3.00pm (AEDT)  
**Topic:** 3D Oil Limited Annual General Meeting

**Register in advance for this webinar:**

[https://us02web.zoom.us/webinar/register/WN\\_uiAmTKPPStanDP4u-lkctg](https://us02web.zoom.us/webinar/register/WN_uiAmTKPPStanDP4u-lkctg)

After registering, you will receive a confirmation email containing information about joining the meeting. The Company strongly recommends its Shareholders to lodge a directed proxy as soon as possible in advance of the meeting even if they are planning to attend the meeting online.

The Company is happy to accept and answer questions submitted prior to the meeting by email to [sross@leydinfreyer.com.au](mailto:sross@leydinfreyer.com.au). Where a written question is raised in respect of the key management personnel of the Company or the resolutions to be considered at the meeting, the Company will address the relevant question during the course of the meeting or by written response after the Meeting (subject to the discretion of the Company not to respond to unreasonable and/or offensive questions). If the situation in relation to COVID-19 were to change in a way that affected the position above, the Company will provide a further update ahead of the Meeting by releasing an announcement to ASX.

Any shareholders who wish to attend the AGM online should therefore monitor the Company's website and its ASX announcements for any updates about the AGM. If it becomes necessary or appropriate to make alternative arrangements for the holding or conducting of the meeting, the Company will make further information available through the ASX website at [asx.com.au](http://asx.com.au) (ASX: TDO) and on its website at [www.3doil.com.au](http://www.3doil.com.au).

# 3D OIL LIMITED

ACN 105 597 279

Registered office: Level 18, 41 Exhibition Street, Melbourne, Victoria 3000

## AGENDA

The Explanatory Statement and proxy form which accompany and form part of this Notice, include defined terms and describe in more detail the matters to be considered. Please consider this Notice, the Explanatory Statement and the proxy form in their entirety.

### ORDINARY BUSINESS

#### Receipt and consideration of Accounts & Reports

To receive and consider the Financial Report of the Company and the Directors' Report (including the Remuneration Report) and Auditor's Report as set out in the Company's Annual Report for the year ended 30 June 2020.

*Note: Except for as set out in Resolution 1, there is no requirement for shareholders to approve these reports. Accordingly, no resolution will be put to shareholders on this item of business.*

#### Resolution 1: Adoption of Remuneration Report

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

*"That for the purpose of section 250R(2) of the Corporations Act 2001 and for all other purposes, the Remuneration Report (included in the Directors' report) for the financial year ended 30 June 2020 be adopted."*

#### Resolution 2: Re-election of Mr Ian Tchacos as a Director of the Company

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

*"That Mr Ian Tchacos, who retires by rotation as a Director in accordance with the Constitution of the Company and being eligible, offers himself for re-election as a Director of the Company."*

#### Resolution 3: Adoption of Equity Incentive Plan

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

*"That pursuant to and in accordance with ASX Listing Rule 7.2 Exception 13(b), and for all other purposes including section 259B and 260C of the Corporations Act 2001 (Cth), approval is given for the Company to adopt an equity incentive scheme, being the proposed "Equity Incentive Plan" (EIP) and to issue under the EIP up to the greater of 13,259,418 equity securities or the number of equity securities which is equal to 5% of the number of issued ordinary shares of the Company at the time of the applicable issue, as described in the Explanatory Statement which accompanies and forms part of this Notice of Meeting."*

#### Resolution 4: Approval to Grant Performance Rights to Mr Ian Tchacos

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

*"That, for the purposes of Listing Rule 10.11 and for all other purposes, approval be given to grant 112,903 Performance Rights in the Company to Mr Ian Tchacos, a Non-Executive Director of the Company, on the terms and conditions set out in the Explanatory Statement accompanying the Notice of Meeting."*

**Resolution 5: Approval to Grant Performance Rights to Mr Leo De Maria**

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

*“That, for the purposes of Listing Rule 10.11 and for all other purposes, approval be given to grant 112,903 Performance Rights in the Company to Mr Leo De Maria, a Non-Executive Director of the Company, on the terms and conditions set out in the Explanatory Statement accompanying the Notice of Meeting.”*

**SPECIAL BUSINESS**

**Resolution 6: Approval to amend the Company’s Constitution**

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

*“That, for the purposes of Section 136(2) of the Corporations Act and for all other purposes, approval is given that the constitution of 3D Oil Limited is amended in the manner set out in the Explanatory Statement, with effect from the conclusion of the meeting.”*

**Resolution 7: Approval of 10% Placement Facility**

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

*““That, pursuant to and in accordance with Listing Rule 7.1A and for all other purposes, Shareholders approve the issue of Equity Securities up to 10% of the issued capital of the Company (at the time of the issue) calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and on the terms and conditions in the Explanatory Statement”*

**BY ORDER OF THE BOARD**



**Stefan Ross**  
**Joint Company Secretary**  
Dated: 16 October 2020

## Notes

1. **Entire Notice:** The details of the resolution contained in the Explanatory Notes accompanying this Notice of Meeting should be read together with, and form part of, this Notice of Meeting.
2. **Record Date:** The Company has determined that for the purposes of the Annual General Meeting, shares will be taken to be held by the persons who are registered as holding the shares at 7.00pm (AEDT) on the date 48 hours before the date of the Annual General Meeting. Only those persons will be entitled to vote at the Annual General Meeting and transfers registered after that time will be disregarded in determining entitlements to attend and vote at the Annual General Meeting.
3. **Proxies**
  - a. Votes at the Annual General Meeting may be given personally or by proxy, attorney or representative.
  - b. Each shareholder has a right to appoint one or two proxies.
  - c. A proxy need not be a shareholder of the Company.
  - d. If a shareholder is a company it must execute under its common seal or otherwise in accordance with its constitution or the Corporations Act.
  - e. Where a shareholder is entitled to cast two or more votes, the shareholder may appoint two proxies and may specify the proportion of number of votes each proxy is appointed to exercise.
  - f. If a shareholder appoints two proxies, and the appointment does not specify the proportion or number of the shareholder's votes, each proxy may exercise half of the votes. If a shareholder appoints two proxies, neither proxy may vote on a show of hands.
  - g. A proxy must be signed by the shareholder or his or her attorney who has not received any notice of revocation of the authority. Proxies given by corporations must be signed in accordance with corporation's constitution and Corporations Act.
  - h. To be effective, Proxy Forms must be received by the Company's share registry (Computershare Investor Services Pty Limited) no later than 48 hours before the commencement of the Annual General Meeting, this is no later than 3:00pm (AEDT) on Sunday, 15 November 2020. Any proxy received after that time will not be valid for the scheduled meeting.

## 4. Corporate Representative

Any corporate shareholder who has appointed a person to act as its corporate representative at the Meeting should provide that person with a certificate or letter executed in accordance with the Corporations Act authorising him or her to act as that company's representative. The authority may be sent to the Company and/or registry in advance of the Meeting or handed in at the Meeting when registering as a corporate representative.

## 5. How the Chairman will vote Undirected Proxies

Subject to the restrictions set out in Notes 6 and 7 below, the Chair of the meeting will vote undirected proxies in favour of all of the proposed resolutions.

## 6. Voting Exclusion Statement:

### Resolution 1

In accordance with sections 250R(4) and 250BD(1) of the Corporations Act, a vote must not be cast (in any capacity), and the Company will disregard any votes purported to be cast, on this resolution by, or on behalf of, a member of the Key Management Personnel, details of whose remuneration are included in the remuneration report, or a closely related party of such a member (**KMP voter**), unless the KMP voter is casting a vote on this resolution as a proxy for a person who is not a KMP voter and either:

- (a) the KMP voter is appointed as a proxy by writing that specifies the way the proxy is to vote on the resolution; or
- (b) the KMP voter is the Chair of the meeting and the appointment of the Chair as proxy:
  - a. does not specify the way the proxy is to vote on the resolution; and
  - b. 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 for the Company or the consolidated entity.

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

A further restriction also applies to Key Management Personnel and their closely related parties voting undirected proxies on 1 – see **Restriction on KMPs voting undirected proxies** below.

### Resolution 2

There are no voting exclusions on this resolution.

### Resolution 3

The Company will disregard any votes cast in favour on this resolution by or on behalf of a person who is eligible to participate in the EIP and any associates.

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

- (a) a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with 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:
  - 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

- the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

A further restriction also applies to Key Management Personnel and their closely related parties voting undirected proxies on these resolutions – see **Restriction on KMPs voting undirected proxies** below.

#### **Resolutions 4 and 5**

The Company will disregard any votes cast in favour of Resolutions 4 and 5 by or on behalf of Mr Ian Tchacos and Mr Leo De Maria respectively, or any person(s) who will obtain a material benefit as a result of the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the entity), or an associate of person referred to in the preceding paragraph.

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

- a) a person as a proxy or attorney for a person who is entitled to vote on the resolution, in accordance with 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.

A further restriction also applies to Key Management Personnel and their closely related parties voting undirected proxies on these resolutions – see **Restriction on KMPs voting undirected proxies** below.

#### **Resolution 6**

There are no voting exclusions on this resolution.

#### **Resolution 7**

As at the date of dispatch of this Notice, the Company is not proposing to make an issue of Equity Securities under Listing Rule 7.1A.2 and, therefore, a voting exclusion statement is not required by Listing Rule 7.3A.7.

#### **7. Restriction on KMPs voting undirected proxies:**

A vote must not be cast as proxy on any of Resolution 1 or Resolutions 3 to 5 by a member of the Key Management Personnel (as defined by the Corporations Act) or a closely related party of Key Management Personnel.

However, a person described above (a "**Restricted Voter**") may cast a vote on any of Resolution 1 or Resolutions 3 to 5 as a proxy if:

- (a) The Restricted Voter is appointed as a proxy by writing that specifies the way the proxy is to vote on the resolution(s); and
- (b) The Chair is the Restricted Voter and the written appointment of the Chair as proxy does not specify the way the proxy is to vote on the resolution(s) or expressly authorises the Chair to exercise the proxy even though the resolution(s) is or are connected with the remuneration of a member of the Key Management Personnel.

If you appoint the Chair as your proxy and you do not direct the Chair how to vote, you will be expressly authorising the Chair to exercise the proxy even if the relevant resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel for the Company.

#### **8. Enquiries**

Shareholders are invited to contact the Joint Company Secretary, Stefan Ross on +61 3 9650 9866 if they have any queries in respect of the matters set out in these documents.

## EXPLANATORY STATEMENT

### **Purpose of Information**

This Explanatory Statement (“Statement”) accompanies and forms part of the Company’s Notice of Annual General Meeting (“Notice”) for the 2020 Annual General Meeting (“Meeting”) to be held virtually via a webinar conferencing facility at 3.00pm (AEDT) on Tuesday, 17 November 2020.

The Notice incorporates, and should be read together, with this Statement

### **Receipt and consideration of Accounts & Reports**

A copy of the Annual Report for the financial year ending 30 June 2020 which incorporates the Company's financial report, reports of the Directors (including the Remuneration Report and the auditors) is not enclosed as there is no longer a requirement for the Company to incur the printing and distribution costs associated with doing so for all shareholders. You may obtain a copy free of charge in hard copy form by contacting the Company by phone at +61 3 9650 9866, and you may request that this occurs on a standing basis for future years.

Alternatively you may access the Annual Report at the Company's website [www.3doil.com.au](http://www.3doil.com.au) or via the Company's announcement platform on ASX. Except as set out in Resolution 1, no resolution is required on these reports.

Shareholders will have the opportunity to ask questions about or make comments on the 2020 Annual Report and the management of the Company. The auditor will be invited to attend, to answer questions about the audit of the Company's 2020 Annual Financial Statements.

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

#### ***Background***

Section 250R(2) of the Corporations Act requires that a resolution to adopt the Remuneration Report must be put to the vote at the Annual General Meeting. The vote on this Resolution is advisory only and does not bind the Directors or the Company.

The Remuneration Report is set out in the Directors’ Report in the Company’s 2020 Annual Report. The Remuneration Report sets out the Company’s remuneration arrangements for the Directors and senior management of the Company.

In accordance with Section 250SA of the Corporations Act 2001, Shareholders will be provided with a reasonable opportunity to ask questions concerning, or make comments on, the Remuneration Report at the Annual General Meeting.

In accordance with Division 9 of Part 2G.2 of the Corporations Act, if twenty five (25%) per cent or more of votes that are cast are voted against the adoption of the Remuneration Report at two consecutive Annual General Meetings, Shareholders will be required to vote at the second of those Annual General Meetings on a resolution (a “spill resolution”) that another meeting be held within 90 days at which all of the Company’s Directors (other than the Managing Director) must go up for re-election.

It is noted that at the Company’s last Annual General Meeting, the votes cast against the Remuneration Report represented less than twenty five (25%) per cent of the total votes cast and accordingly, a spill resolution will not under any circumstances be required for the Annual General Meeting.

The Directors will consider the outcome of the vote and comments made by Shareholders on the Remuneration Report at the Meeting when reviewing the Company’s remuneration policies.

#### ***Board Recommendation***

Noting that each Director has a personal interest in their own remuneration from the Company (as such interests are described in the Remuneration Report) and, as described in the voting exclusions on this resolution (set out in the Notice of AGM), that each Director (or any Closely Related Party of a Director) is excluded from voting their shares



on this resolution, the Directors unanimously recommend that shareholders vote in favour of Resolution 1 to adopt the Remuneration Report.

### ***Voting Exclusions***

Refer to Note 6 and 7 for voting exclusions.

## **Resolution 2: Re-election of Mr Ian Tchacos as a Director of the Company**

### ***Background***

The Constitution of the Company requires that at every Annual General Meeting, at least one Director must retire from office and provides that such Directors are eligible for re-election at the meeting. Mr Ian Tchacos retires by rotation and, being eligible, offers himself for re-election.

Ian Tchacos is an oil and gas professional with over 30 years international experience in corporate development and strategy, mergers and acquisitions, petroleum exploration, development and production operations, decision analysis, commercial negotiation, oil and gas marketing and energy finance. He has a proven management track record in a range of international energy company environments. Ian is currently Executive Chairman of ADX Energy Ltd (ASX: ADX).

### ***Board Recommendation***

The Board (with Mr Tchacos abstaining), recommends that shareholders vote in favour of the re-election of Mr Tchacos.

### ***Voting Exclusions***

There are no voting exclusions on this resolution.

## **Resolution 3: Adoption of Equity Incentive Plan**

### ***Background***

Shareholders approved a set of Employee Incentive Plan rules on 2 November 2017 which expired for Listing Rule purposes after three years from the date of approval. The Company is now seeking Shareholder approval to adopt a new Equity Incentive Plan (**EIP**) in order to assist in the motivation, retention and reward of employees of the Company. A copy of these rules is available on the Company website at <https://www.3doil.com.au/about/corporate-governance>. The EIP is seeking to replace the previous shareholders approved Employee Incentive Plan.

The Board is committed to incentivising and retaining the Company's Directors, employees and consultants in a manner which promotes alignment of their interests with shareholder interests. Additionally, the Board considers equity-based compensation an integral component of the Company's remuneration platform as it allows it to be fiscally prudent by conserving cash resources while still enabling it to offer market-competitive remuneration arrangements.

The Plan will enable employees, Directors or such other persons as the Board should deem fit, to receive shares, options to acquire shares in the Company, other securities, or rights or interests such as performance rights.

No directors or their associates can or will be issued shares, options or other securities or rights under the Plan unless shareholder approval of specific issues to them is obtained. Under the Plan the Company may acquire shares on market to be held on trust for directors or their associates.

Approval is sought to issue up to 13,259,418 equity securities (shares, options or other rights including performance rights each conditionally entitling the applicable holder to one fully paid ordinary shares upon exercise or achievement of the applicable milestone). Any additional issues under the Plan above that number would require further shareholder approval, unless the total number of securities issued does not exceed 5% of the then issued shares of the Company.

The objects of the Plan are to:

- provide eligible employees with an additional incentive to work to improve the performance of the Company;
- attract and retain eligible employees essential for the continued growth and development of the Company;
- promote and foster loyalty and support amongst eligible employees for the benefit of the Company;
- enhance the relationship between the Company and eligible employees for the long-term mutual benefit of all parties; and
- provide eligible employees with the opportunity to acquire shares, options, or rights in the Company, in accordance with the Plan.

### ***ASX Listing Rules***

ASX Listing Rule 7.1 requires that shareholder approval is required for an issue of securities if the securities will, when aggregated with the securities issued by the entity during the previous 12 months, exceed 15% of the number of securities on issue at the commencement of that 12-month period.

ASX Listing Rule 7.2 exception 13(b) provides an exception to ASX Listing Rule 7.1 for securities issued under an employee incentive scheme within 3 years after shareholder approval of the scheme. The Company therefore seeks approval of the Plan under ASX Listing Rule 7.2 Exception 13(b) so that issues of securities under the Plan do not impede the capacity of the Company to issue up to a further 15% of its capital without shareholder approval.

Since 2 November 2017, the date on which Shareholders approved the previous Employee Incentive Plan, the Company has not issued any securities under the Employee Incentive Plan. Currently, there are no Unlisted Options and no Performance Rights on issue pursuant to the Employee Incentive Plan.

### ***Summary of material terms and conditions of the Company's EIP***

A summary of material terms and conditions of the Company's EIP is set out below. For full details of the EIP, please refer to the rules themselves which are accessible in the manner stated above.

- The EIP sets out the framework for the offer of Shares, Options or Performance Rights by the Company, and is typical for a document of this nature.
- In making its decision to issue Shares, Options or Performance Rights, the Board may decide the number of securities and the vesting conditions which are to apply in respect of the securities. The Board has broad flexibility to issue Shares, Options or Performance Rights having regard to a range of potential vesting criteria and conditions.
- In certain circumstances, unvested Options or Performance Rights will immediately lapse and any unvested Shares held by the participant will be forfeited if the relevant person is a "bad leaver" as distinct from a "good leaver".
- If a participant acts fraudulently or dishonestly or is in breach of their obligations to the Company or its subsidiaries, the Board may determine that any unvested Performance Rights or Options held by the participant immediately lapse and that any unvested Shares held by the participant be forfeited.
- In certain circumstances, Shares, Performance Rights or Options can vest early, including following a change of control or other events of a similar nature. For the purposes of this rule, a relevant control event occurs in a number of scenarios in which a third party may acquire 50% or more of the Company's Shares.
- The total number of Shares that would be issued were each Option, Performance Right and Share under the EIP exercised or vested (as applicable), plus the number of Shares issued in the previous three years under the EIP, must not, at any time, exceed 5% of the total number of Company Shares on issue. Shares issued under the EIP will rank equally in all respects with other Shares and the Company must apply for the quotation of such Shares.

- The Board has discretion to impose restrictions (except to the extent prohibited by law or the ASX Listing Rules) on Shares issued or transferred to a participant on vesting of an Option or a Performance Right, and the Company may implement appropriate procedures to restrict a participant from so dealing in the Shares.
- In respect of vested Options or Performance Rights, if the Board becomes aware of an event which would have resulted in vesting criteria not being satisfied, such as a material misstatement in the Company's financial statements during the vesting period, any affected vested Options or Rights may be cancelled for no consideration.
- In the event of any reorganisation of the issued capital of the Company on, or prior to, the expiry of the Performance Rights or Options, the rights of the relevant security holder can be changed in the discretion of the Board, including to comply with the applicable ASX Listing Rules in force at the time of the reorganisation.
- The Board is granted a certain level of discretion under the EIP, including the power to amend the rules under which the EIP is governed and to waive vesting conditions, forfeiture conditions or disposal restrictions.

### ***Corporations Act***

Approval is also sought for the purposes of sections 259B and 260C of the Corporations Act 2001 (Cth).

The Plan provides for the Company to take security over shares issued under the Plan, and to place restrictions on transfer and voting which may also constitute taking security over its own shares. Section 259B(1) of the Corporations Act provides that a company must not take security over shares in itself except as permitted by the Corporations Act. Section 259B(2) provides that the Company may take security over shares in itself under an employee share scheme that has been approved by shareholders at a general meeting.

Under section 260C(4) of the Corporations Act, a company may financially assist a person to acquire its shares if the financial assistance is given under an employee share scheme that is approved by shareholders at a general meeting. The Plan provides that the Company may make loans in respect of shares or other securities issued or to be acquired under the Plan and/or acquire shares or other securities to be held on trust for eligible participants. This may be considered to be the Company providing financial assistance for the acquisition of its own shares or other securities.

### ***Board Recommendation***

As the Directors of the Company are excluded from voting pursuant to the Listing Rules, they make no recommendation to the shareholders in respect of the EIP.

### ***Voting Exclusions***

Refer to Note 6 and 7 for voting exclusions.

## **Resolutions 4 and 5: Approval to Grant Performance Rights to Mr Ian Tchacos and Mr Leo De Maria**

### ***Background***

Resolutions 4 and 5 of this Notice provides for a grant \$7,000 worth of Performance Rights to each Mr Ian Tchacos and Mr Leo De Maria, on the terms described below.

Performance Rights are proposed to be granted to Mr Ian Tchacos and Mr Leo De Maria to align their interests with the interests of Shareholders. The grant of the Performance Rights (and the subsequent issue of Shares if certain vesting conditions are met) to Mr Ian Tchacos and Mr Leo De Maria is a cash retentive form of remuneration when compared to the payment of cash consideration.

It should also be noted that the extent to which these rights will vest is dependent on share price performance and continued employment hurdles, which is intended to align the interests of all Shareholders.

The establishment of an effective performance management system assists in maintaining a focus on delivering superior shareholder returns. A key role of this program is to ensure that this objective is achieved. It should be

recognised that the achievement of these objectives will be to the benefit of all Shareholders, and the conversion of the performance rights can only occur if these hurdles are met.

Consistent with the desire to minimise cash expenditures, the Board believes that in order to incentivise Mr Tchacos and Mr De Maria in line with current market practices, Performance Rights provide an appropriate and meaningful remuneration component to Director's that is aligned with Shareholder interests.

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

Resolutions 4 and 5 of this Notice provides for \$7,000 worth of Performance Rights to be granted to each, Mr Tchacos and Mr De Maria, being 118,644 Performance Rights each, which has been determined by dividing Mr Tchacos and Mr De Maria's entitlement amounts, being \$7,000, by the Volume Weighted Average Price ("VWAP") of the Company's shares on the ASX for the 30 trading days prior to 14 September 2020, being \$0.062 (6.2 cents), noting these numbers have been rounded. The Performance Rights will be issued to Mr Tchacos and Mr De Maria for nil consideration. The vesting of the Performance Rights is contingent on both the share price of the Company reaching \$0.09 (9 cents) at any time between grant and 17 November 2022, and continued employment up until 17 November 2022 (**Performance Hurdles**). The Performance Rights will expire 3 years following the grant date (**Expiry Date**).

### ***Corporations Act***

Section 228 of the Corporations Act defines a "related party" for the purposes of Chapter 2E to include a Director of the public company. A "financial benefit" is defined in section 229 of the Corporations Act and includes granting a Performance Right to a related party. Mr Tchacos and Mr De Maria are Directors of the Company and thus are related parties for the purposes of Chapter 2E of the Corporations Act.

The Board has formed the view that the grant of Performance Rights to Mr Tchacos and Mr De Maria above, does not require Shareholder approval under section 208 of the Corporations Act as the grant constitute "reasonable remuneration" in accordance with section 211 of the Corporations Act. Accordingly, the Board is not seeking Shareholder approval under section 208 of the Corporations Act, although Shareholder approval must be obtained pursuant to Listing Rule 10.11.

In reaching this view, and consistent with the desire to minimise cash expenditures, the Board believes that having regard to the current market practices the Board considers that the proposed grant of Performance Rights aligns the interests of Mr Tchacos and Mr De Maria with the interests of Shareholders. The grant of Performance Rights to Mr Tchacos and Mr De Maria is a cost-effective form of remuneration when compared to the payment of cash consideration.

The Company believes it is appropriate to grant the Performance Rights to Mr Tchacos and Mr De Maria. Smaller entities with limited cash resources often elect to use equity instruments to remunerate directors to attract and retain high calibre individuals while minimising the cash cost of engaging those people.

Consistent with the desire to minimise cash expenditures, the Board believes that having regard to the current market practices, the Performance Rights provide an appropriate and meaningful remuneration component to Mr Tchacos and Mr De Maria that is aligned with Shareholder interests.

### ***ASX Listing Rule 10.11***

Listing Rule 10.11 requires a listed Company to obtain shareholder approval by ordinary resolution prior to the issue of securities to a related party of the Company. Approval pursuant to Listing Rule 7.1 is not required in order to issue the securities to the Directors as approval is being obtained under Listing Rule 10.11.

If Resolutions 4 and 5 are passed, the Company will be able to proceed with the issue of a total of 225,806 Performance Rights (being 112,903 Performance Rights respectively to each of Mr Tchacos and Mr De Maria).

If Resolutions 4 and 5 are not passed, the Company will not proceed with the issue of a total of 225,806 Performance Rights (being 112,903 Performance Rights to each of Mr Tchacos and Mr De Maria).

Listing Rule 10.13 sets out a number of matters which must be included in a notice of meeting proposing an approval under Listing Rule 10.11. For the purposes of Listing Rule 10.13, the following information is provided in relation to Resolutions 4 and 5:

- a) the Performance Rights are proposed to be issued to Mr Ian Tchacos and Mr Leo De Maria;
- b) the approval for Mr Tchacos and Mr De Maria is sought under ASX Listing Rule 10.11.1, being Directors, and therefore related parties, of the Company;
- c) the total number and class of securities proposed to be issued are 225,806 Performance Rights in the Company (being 112,903 Performance Rights to each, Mr Tchacos and Mr De Maria);
- d) a summary of the material terms of the Performance Rights is included in Annexure 1;
  - vesting of the Performance Rights is contingent on both the share price of the Company reaching \$0.09 (9 cents) at any time between grant and 17 November 2022, and continued employment up until 17 November 2022.
  - the Performance Rights will expire three (3) years from the date of grant.
  - upon vesting, each Performance Right will convert to one fully paid ordinary share in the Company.
- e) the Performance Rights will be issued no later than one month after the date of the Meeting;
- f) the Performance Rights will be issued for nil consideration;
- g) the Performance Rights will be issued as part of remuneration, as such there is no issue price of the Performance Rights and there will be no funds raised from the issue of Performance Rights; and
- h) Mr Tchacos' total remuneration package is \$47,250 (inclusive of statutory superannuation) and Mr De Maria's total remuneration package is \$45,000 (inclusive of statutory superannuation).

### **Board Recommendation**

The Board (with Mr Tchacos and Mr De Maria abstaining in relation to each of their own Performance Rights) recommends that shareholders vote in favour of Resolutions 4 and 5.

### **Voting Exclusions**

Refer to Note 6 and 7 for voting exclusions.

## **Resolution 6: Approval to amend the Company's Constitution**

### **Background**

As part of its regular review of its operations in order to streamline administration, minimise costs and incorporate recent regulatory updates, the Company proposes to amend the Constitution as set out below.

The amendments are proposed in order to bring the provisions of the Constitution in line with recent technological updates and will assist the Company to streamline communications with shareholders as well as utilise various electronic platforms and tools to hold and conduct shareholder meetings.

Section 136(2) of the Corporations Act states that a company may "modify or repeal its constitution, or provision of its constitution, by special resolution". Accordingly, this Resolution 6 is proposed as a special resolution.

### **Proposed Amendments**

By Resolution 6, the Company seeks Shareholder approval for the purposes of Section 136(2) of the Corporations Act, and for all other purposes, to amend the Constitution of the Company in the following manner:

1. Replace clause 12 with the following (as mandated by Listing Rule 15.12):

#### **12 Restricted Securities**

*For so long as the Company has any Restricted Securities on issue, the following apply:*

- (a) *A holder of Restricted Securities must not dispose of, or agree or offer to dispose of, the securities during the escrow period applicable to those securities except as permitted by the Listing Rules or ASX.*

- (b) *If the Restricted Securities are in the same class as quoted securities, the holder will be taken to have agreed in writing that the Restricted Securities are to be kept on the Company's issuer sponsored sub-register and are to have a holding lock applied for the duration of the escrow period applicable to those securities.*
- (c) *The Company will refuse to acknowledge any disposal (including, without limitation, to register any transfer) of Restricted Securities during the escrow period applicable to those securities except as permitted by the Listing Rules or ASX.*
- (d) *A holder of Restricted Securities will not be entitled to participate in any return of capital on those securities during the escrow period applicable to those securities except as permitted by the Listing Rules or ASX.*
- (e) *If a holder of Restricted Securities breaches a restriction deed or a provision of the Company's Constitution restricting a disposal of those securities, the holder will not be entitled to any dividend or distribution, or to exercise any voting rights, in respect of those securities for so long as the breach continues.*

2. Insert the following as a new clause 15.8:

**Use of technology at general meetings**

15.8 *In respect of general meetings of the Company:*

- (a) *the Company may hold a general meeting (whether called by Directors or requisition) at two or more venues, including by way of virtual or hybrid meeting, using any technology that gives the Members as a whole a reasonable opportunity to participate; and*
- (b) *if the technology used in accordance with clause 15.8(a) encounters a technical difficulty, whether before or during the general meeting, which results in a Member not being able to participate in the general meeting, the chairperson may, subject to the Act and this Constitution, allow the general meeting to continue or may adjourn the meeting either for such reasonable period as may be required to fix the technology or to such other time and location as the chairperson deems appropriate.*

3. Insert the following as a new clause 16.13:

**Conduct of general meetings**

16.13 *In respect of a general meeting of the Company:*

- (a) *if a separate meeting place is linked to the main place of a general meeting by an instantaneous audio-visual communication device which, by itself or in conjunction with other arrangements:*
  - (i) *gives the general body of Members in the separate meeting place a reasonable opportunity to participate in proceedings in the main place;*
  - (ii) *enables the chairperson to be aware of proceedings in the other place; and*
  - (iii) *enables the Members in the separate meeting place to vote on a show of hands or on a poll,*  
*a Member present at the separate meeting place is taken to be present at the general meeting and entitled to exercise all rights as if she or he was present at the main place;*
- (b) *if, before or during the general meeting, any technical difficulty occurs where one or more of the matters set out in clause 16.13(a) is not satisfied, the chairperson of the general meeting may:*
  - (i) *adjourn the general meeting until the difficulty is remedied; or*

(ii) *continue to hold the general meeting in the main place (and any other place which is linked under clause 16.13(a)) and transact business, and no Member may object to the general meeting being held or continuing; and*

(c) *nothing in this clause 16.13 is to be taken to limit the powers conferred on the chairperson of the general meeting by law.*

4. Insert as a new clause 17.24 the following:

**Direct Voting**

17.24 *The Directors may determine that at any meeting of Members or class meeting, a Member who is entitled to attend and vote on a resolution at that meeting is entitled to a direct vote in respect of that resolution. A direct vote includes a vote delivered to the Company by post, fax or other electronic means approved by the Directors. The Directors may prescribe regulations, rules and procedures in relation to direct voting, including specifying the form, method and timing of giving a direct vote at a meeting in order for the vote to be valid.*

5. Insert the following as a new clause 25.21:

25.21 *If a failure in communications prevents clause 25.2 from being satisfied as a result of which one or more Directors cease to participate, the chairperson may adjourn the meeting until the difficulty is remedied or may, where a quorum of Directors remains present, continue with the meeting. If, as a result of the technical difficulty, a quorum of Directors is not present, then the meeting is suspended until clause 25.2 is again satisfied. If clause 25.2 is not satisfied within 15 minutes from the time the meeting was interrupted, the meeting is deemed to have terminated.*

6. Replace clause 33.1 with the following:

**Service of notices by Company**

33.1 *A notice may be given by the Company to a Member by:*

(a) *-serving it on the Member personally;*

(b) *sending it by post to the Member's address in the Register or an alternative address nominated by the Member;*

(c) *unless the Member has requested otherwise, sending the notice (and any accompanying material) to an electronic address the Member has supplied to the Company for the giving of notices or by other electronic means determined by the Board acting reasonably and previously notified to Members; or*

(d) *subject to compliance with the Act and the Listing Rules, unless the Member has requested otherwise, sending notice to:*

(i) *an electronic address the Member has supplied to the Company for the giving of notices, of a URL from which the notice and other material can be viewed or downloaded; or*

(ii) *the Member's address in the Register or an alternative address nominated by the member, by way of a letter or postcard setting out a URL from which the notice and other material can be viewed or downloaded.*

7. Add the following into clause 33.8, between "...in the Office" and "for a period (not including weekends and public holidays) of 48 hours":

*"or (whilst the Company is admitted to the Official List) published on the Company's page of the ASX Market Announcements Platform,"*

8. Insert as new clauses 33.13 and 33.14 (based on amended numbering above) the following:

**Other matters in relation to notices**

33.13 *For the purposes of clause 33.1, the fact that a Member has supplied an electronic address for the giving of notices does not require the Company to give any notice to that person by electronic means.*

33.14 *A notice may be given by the Company to a person entitled to a Share as a result of a transmission event in any manner authorised by clause 33.1 addressed to the name or title of the person:*

*(a) at or to such address or electronic address supplied to the Company for the giving of notices; or*

*(b) if no address or electronic address has been supplied, at or to the address or electronic address to which the notice might have been sent if the relevant transmission event had not occurred.*

9. Replace clauses 33.4, 33.5 and 33.6 (along with making the necessary numbering adjustments to the balance of clause 33) with the following:

**Notice deemed to be served**

33.4 *A notice to a person by the Company is taken to have been effected:*

*(a) if it is delivered personally – on that day;*

*(b) if it is sent by post – on the day after the date of its posting;*

*(c) if it is sent by electronic means – on that day;*

*(d) if it is made available on the Company's website and/or the ASX Market Announcements Platform – on the date the notice becomes available for viewing and downloading by a member of the public; or*

*(e) if it is given by a manner authorised under clause 33.1(d) – on the date nominated by the Company (acting reasonably) in the notice.*

**Board Recommendation**

The Board recommends that Shareholders vote in favour of Resolution 6.

**Voting Exclusions**

There are no voting exclusions on this resolution.

**Resolution 7: Approval of 10% Placement Facility**

**Background**

Listing Rule 7.1A enables eligible entities, with shareholder approval, to issue Equity Securities up to 10% of its issued share capital through placements over a 12-month period after the Annual General Meeting ("**10% Placement Facility**"). The 10% Placement Facility is in addition to the Company's 15% placement capacity under Listing Rule 7.1.

An eligible entity for the purposes of Listing Rule 7.1A is an entity that is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300 million or less. The Company is, at the date of this Notice, an eligible entity.

The Company is seeking shareholder approval by way of a special resolution to have the ability, if required, to issue Equity Securities under the 10% Placement Facility. The effect of Resolution 7 will be to allow the Directors to issue Equity Securities under Listing Rule 7.1A during the 10% Placement Period (as described below) without further shareholder approval and without using the Company's 15% placement capacity under Listing Rule 7.1.



If Resolution 7 is passed, the Company will be able to issue equity securities up to the combined 25% limit in Listing Rules 7.1 and 7.1A without any further shareholder approval.

If Resolution 7 is not passed, the Company will not be able to access the additional 10% capacity to issue equity securities to issue equity securities without shareholder provided for in Listing Rule 7.1A and will remain subject to the 15% limit on issuing equity securities without shareholder approval set out in Listing Rule 7.1.

### **Description of Listing Rule 7.1A**

#### *(a) Shareholder approval*

The ability to issue Equity Securities under the 10% Placement Facility is subject to shareholder approval by way of a special resolution at an annual general meeting. This means it requires approval of 75% of the votes cast by shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate shareholder, by a corporate representative).

#### *(b) Equity Securities*

Any Equity Securities issued under the 10% Placement Facility must be in the same class as an existing quoted class of Equity Securities of the Company.

The Company, as at the date of the Notice, has on issue one class of quoted Equity Securities, being Fully Paid Ordinary Shares.

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

Listing Rule 7.1A.2 provides that eligible entities which have obtained shareholder approval at an Annual General Meeting may issue or agree to issue, during the 12-month period after the date of the Annual General Meeting, a number of Equity Securities calculated in accordance with the following formula:

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

**A** is the number of shares on issue at the commencement of the “relevant period” (which, for the Company, is the 12 month period immediately preceding the date of the issue or agreement):

- (A) plus the number of fully paid shares issued in the relevant period under an exception in Listing Rule 7.2, other than exception 9, 16 or 17;
- (B) plus the number of fully paid shares issued in the relevant period on the conversion of convertible securities within rule 7.2 exception 9 where:
  - (i) the convertible securities were issued or agreed to be issued before the commencement of the relevant period; or
  - (ii) the issue of, or agreement to issue, the convertible securities was approved, or taken under the Listing Rules to have been approved, under rule 7.1 or rule 7.4;
- (C) plus the number of fully paid shares issued in the relevant period under an agreement to issue securities within rule 7.2 exception 16 where:
  - (i) the agreement was entered into before the commencement of the relevant period; or
  - (ii) the agreement or issue was approved, or taken under the Listing Rules to have been approved, under rule 7.1 or rule 7.4;
- (D) plus the number of fully paid shares issued in the relevant period with approval of holders of shares under Listing Rules 7.1 or 7.4;
- (E) plus the number of partly paid shares that became fully paid in the relevant period;
- (F) less the number of fully paid shares cancelled in the relevant period.

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

**D** is 10%

**E** is the number of Equity Securities issued or agreed to be issued under Listing Rule 7.1A.2 in the relevant period where the issue or agreement has not been subsequently approved by shareholders under Listing Rule 7.1 or 7.4.

(d) *Listing Rule 7.1 and Listing Rule 7.1A*

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

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

(e) *Nature of consideration for issue and Minimum Issue Price*

The Equity Securities issued under Listing Rule 7.1A must be issued for a cash consideration per security which must be not less than 75% of the VWAP of Equity Securities in the same class calculated over the 15 trading days on which trades in that class were recorded immediately before:

- (i) the date on which the price at which the Equity Securities are to be issued is agreed by the Company and the recipient of the securities; or
- (ii) if the Equity Securities are not issued within 10 trading days of the date in paragraph (i) above, the date on which the Equity Securities are issued.

(f) *10% Placement Period*

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

- (i) the date that is 12 months after the date of the Annual General Meeting at which the approval is obtained;
- (ii) the time and date of the Company's next annual general meeting;
- (iii) the time and date of the approval by shareholders of a transaction under Listing Rules 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking).

**(10% Placement Period).**

### **Specific information required by Listing Rule 7.3A**

Pursuant to and in accordance with Listing Rule 7.3A, information is provided in relation to the approval of the 10% Placement Facility as follows:

- (a) If Resolution 7 is approved by Shareholders, the period for which the Shareholder approval of the 10% Placement Facility under Listing Rule 7.1A commences on the date of the Annual General Meeting at which the approval is obtained, being 17 November 2020, and expires on the first to occur of the following:
  - (i) the date that is 12 months after the date of the Annual General Meeting at which the approval is obtained, being 17 November 2021;
  - (ii) the time and date of the Company's next annual general meeting;
  - (iii) the time and date of the approval by shareholders of a transaction under Listing Rules 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking).
- (b) The Equity Securities will be issued at an issue price of not less than 75% of the VWAP for the Company's Equity Securities in the same class calculated over the 15 trading days on which trades in that class were recorded immediately before:

- (i) the date on which the price at which the Equity Securities are to be issued is agreed by the Company and the recipient of the securities; or
  - (ii) if the Equity Securities are not issued within 10 trading days of the date in paragraph (i) above, the date on which the Equity Securities are issued.
- (c) The purposes for which the funds raised by an issue of Equity Securities under rule 7.1A.2 may be used by the Company include:
- (i) consideration for the acquisition(s) of new assets and investments, including the expenses associated with such acquisition(s); and
  - (ii) continued expenditure on the Company's current business and/or general working capital.
- (d) If Resolution 7 is approved by Shareholders and the Company issues Equity Securities under the 10% Placement Facility, the existing Shareholders' voting power in the Company will be diluted as shown in the table below. Shareholders may also be exposed to economic risk and voting dilution, including the following:
- (i) the market price for the Company's Equity Securities may be significantly lower on the date of the issue of the Equity Securities than on the date of the Annual General Meeting; and
  - (ii) the Equity Securities may be issued at a price that is at a discount to the market price for the Company's Equity Securities on the issue date,

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

The below table shows the dilution of existing Shareholders on the basis of the market price of Shares as at 14 October 2020 (**Current Share Price**) and the current number of ordinary securities for variable "A" calculated in accordance with the formula in Listing Rule 7.1A(2) as at the date of this Notice.

The table also shows:

- two examples where variable "A" has increased, by 50% and 100%. Variable "A" is based on the number of ordinary securities the Company has on issue. The number of ordinary securities on issue may increase as a result of issues of ordinary securities that do not require Shareholder approval (for example, a pro rata entitlements issue or scrip issued under a takeover offer) or future specific placements under Listing Rule 7.1 that are approved at a future Shareholders' meeting; and
- two examples of where the issue price of ordinary securities has decreased by 50% and increased by 100% as against the current market price.

Variable 'A' in Listing Rule 7.1A.2		Issue Price		
		\$0.030 50% decrease in Current Share Price	\$0.060 Current Share Price	\$0.120 100% increase in Current Share Price
<b>Current Variable A</b> 265,188,372 Shares	<b>10% Voting Dilution</b>	26,518,837 Shares		
	<b>Funds raised</b>	\$795,565	\$1,591,130	\$3,182,260
<b>50% increase in current Variable A</b> 397,782,558 Shares	<b>10% Voting Dilution</b>	39,778,256 Shares		
	<b>Funds raised</b>	\$1,193,348	\$2,386,695	\$4,773,391
<b>100% increase in current Variable A</b> 530,376,744 Shares	<b>10% Voting Dilution</b>	53,037,674 Shares		
	<b>Funds raised</b>	\$1,591,130	\$3,182,260	\$6,364,521

The table has been prepared on the following assumptions:

- The Company issues the maximum number of Equity Securities available under the 10% Placement Facility.
  - No Options (including any Listed Options issued under the 10% Placement Facility) are exercised into Shares before the date of the issue of the Equity Securities;
  - The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.
  - The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement Facility, based on that Shareholder's holding at the date of the Annual General Meeting.
  - The table shows only the effect of issues of Equity Securities under Listing Rule 7.1A, not under the 15% placement capacity under Listing Rule 7.1.
  - The issue of Equity Securities under the 10% Placement Facility consists only of Shares. If the issue of Equity Securities includes Listed Options, it is assumed that those Listed Options are exercised into Shares for the purpose of calculating the voting dilution effect on existing Shareholders.
  - The Current Share Price is \$0.060 (6.0 cents), being the closing price of the Shares on ASX on 14 October 2020.
- (e) The Company will comply with the disclosure obligations under Listing Rule 7.1A(4) upon issue of any Equity Securities.

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

- (i) the methods of raising funds that are available to the Company, including but not limited to, rights issues or other issues in which existing security holders can participate;
- (ii) the effect of the issue of the Equity Securities on the control of the Company;
- (iii) the financial situation and solvency of the Company; and
- (iv) advice from corporate, financial and broking advisers (if applicable).

The allottees under the 10% Placement Facility have not been determined as at the date of this Notice but may include existing substantial Shareholders, subject to compliance with Listing Rule 10.11, and/or new Shareholders who are not related parties or associates of a related party of the Company.

- (f) The Company:
- (i) has not issued, nor agreed to issue, any Equity Securities under Rule 7.1A.2 in the 12 month period preceding the date of the Meeting; and
  - (ii) had not agreed, before the 12 month period referred to in the preceding paragraph, to issue any Equity Securities under rule 7.1A.2 where such securities remain unissued as at the date of the Meeting.

### ***Board Recommendations***

The Directors of the Company believe that this Resolution is in the best interests of the Company and unanimously recommend that Shareholders vote in favour of this Resolution.

### ***Voting Exclusions***

Refer to Note 6 and 7 for voting exclusions.

## GLOSSARY

The following terms have the following meanings in this Explanatory Statement:

“\$” means Australian Dollars;

“**10% Placement Facility**” has the meaning as defined in the Explanatory Statement for Resolution 7;

“**10% Placement Period Facility**” has the meaning as defined in the Explanatory Statement for Resolution 7;

“**Annual Report**” means the Directors’ Report, the Financial Report, and Auditor’s Report, in respect to the year ended 30 June 2020;

“**ASX**” means ASX Limited ABN 98 008 624 691 or the Australian Securities Exchange, as the context requires;

“**Auditor’s Report**” means the auditor’s report on the Financial Report;

“**AEDT**” means Australian Eastern Daylight Standard Time.

“**Board**” means the Directors acting as the board of Directors of the Company or a committee appointed by such board of Directors;

“**Chairman**” means the person appointed to chair the Meeting of the Company convened by the Notice;

“**Closely Related Party**” means:

- (a) a spouse or child of the member; or
- (b) has the meaning given in section 9 of the Corporations Act.

“**Company**” means 3D Oil Limited ACN 105 597 279;

“**Constitution**” means the constitution of the Company as at the date of the Meeting;

“**Corporations Act**” means the Corporations Act 2001 (Cth);

“**Director**” means a Director of the Company;

“**Directors Report**” means the annual directors’ report prepared under Chapter 2M of the Corporations Act for the Company and its controlled entities;

“**EIP**” means Equity Incentive Plan;

“**Equity Security**” has the same meaning as in the Listing Rules;

“**Explanatory Statement**” means the explanatory statement which forms part of the Notice;

“**Financial Report**” means the annual financial report prepared under Chapter 2M of the Corporations Act for the Company and its controlled entities;

“**Key Management Personnel**” means persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any Director (whether executive or otherwise) of the Company;

“**Listing Rules**” means the Listing Rules of the ASX;

“**Meeting**” has the meaning given in the introductory paragraph of the Notice;

“**Notice**” means the Notice of Meeting accompanying this Explanatory Statement;

“**Proxy Form**” means the proxy form attached to the Notice;

“**Remuneration Report**” means the remuneration report which forms part of the Directors’ Report of 3D Oil Limited for the financial year ended 30 June 2020 and which is set out in the 2020 Annual Report.

“**Resolution**” means a resolution referred to in the Notice;

“**Section**” means a section of the Explanatory Statement;

“**Share**” means a fully paid ordinary share in the capital of the Company;

“**Shareholder**” means shareholder of the Company;

“**VWAP**” means volume weighted average price.

## ANNEXURE 1

### Performance Rights Terms

A summary of the terms of the Performance Rights are set out below:

- Each Performance Right gives the recipient the right to acquire one Share.
- The Performance Rights will generally have a maximum life of 3 years, such that if they are not exercised before the 3<sup>rd</sup> anniversary of their grant ("**Expiry Date**") they will generally lapse.
- The issue price for each Performance Right is \$Nil.
- Shares issued on exercise of the Performance Rights will rank equally with all existing Shares from the date of issue. The Company will apply for quotation of the Shares issued on the exercise of each Performance Right.
- The Performance Rights are not transferrable.
- The Performance Rights will not vest unless the Performance Hurdles have been achieved by the Performance Date.
- When a Performance Right vests, the Company will issue a vesting notification to the holder of the Performance Right.
- Clawback and Lapsing Conditions: Any Performance Rights which do not vest on the Performance Date shall lapse. In addition the Board will have the power to Clawback Performance Rights or any Shares issued on exercise of the Performance Rights in the sole and absolute discretion of the Board if any results that lead to the Performance Rights vesting are subsequently shown to have been materially misstated.
- Performance Rights do not give holders any right to participate in new issues of securities in the Company made to Shareholders generally or to participate in dividends unless the Performance Rights are exercised and the resultant Shares are issued prior to the record date to determine entitlements to the securities or dividend (as applicable).
- Performance Rights do not give holders any right to vote.
- In the event of any reconstruction (including consolidation, subdivision, reduction or return) of the issued capital of the Company:
  - the number of Performance Rights will be reconstructed (as appropriate) in a manner consistent with the Listing Rules but with the intention that such reconstruction will not result in any benefits being conferred on the Performance Right holder which are not conferred on Shareholders; and
  - subject to the provisions with respect to rounding of entitlements as sanctioned by a meeting of Shareholders approving a reconstruction of capital, in all other respects the terms for the exercise of the Performance Rights will remain unchanged.
- Performance Rights will also vest automatically upon a range of events generally constituting a change in control of the Company.



**3D Oil Limited**  
ABN 40 105 597 279

## Need assistance?



**Phone:**  
1300 850 505 (within Australia)  
+61 3 9415 4000 (outside Australia)



**Online:**  
[www.investorcentre.com/contact](http://www.investorcentre.com/contact)



## YOUR VOTE IS IMPORTANT

For your proxy appointment to be effective it must be received by **3:00 PM (AEDT) on Sunday, 15 November 2020.**

# Proxy Form

## How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

### APPOINTMENT OF PROXY

**Voting 100% of your holding:** Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote or abstain as they choose (to the extent permitted by law). If you mark more than one box on an item your vote will be invalid on that item.

**Voting a portion of your holding:** Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

**Appointing a second proxy:** You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

**A proxy need not be a securityholder of the Company.**

### SIGNING INSTRUCTIONS FOR POSTAL FORMS

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

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

**Power of Attorney:** If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

**Companies:** Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held. Delete titles as applicable.

### PARTICIPATING IN THE MEETING

#### Corporate Representative

If a representative of a corporate securityholder or proxy is to participate in the meeting you will need to provide the appropriate "Appointment of Corporate Representative". A form may be obtained from Computershare or online at [www.investorcentre.com](http://www.investorcentre.com) under the help tab, "Printable Forms".

## Lodge your Proxy Form:

### Online:

Lodge your vote online at [www.investorvote.com.au](http://www.investorvote.com.au) using your secure access information or use your mobile device to scan the personalised QR code.

Your secure access information is

**Control Number: 134631**

**SRN/HIN:**

For Intermediary Online subscribers (custodians) go to [www.intermediaryonline.com](http://www.intermediaryonline.com)

### By Mail:

Computershare Investor Services Pty Limited  
GPO Box 242  
Melbourne VIC 3001  
Australia

### By Fax:

1800 783 447 within Australia or  
+61 3 9473 2555 outside Australia



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

**Change of address.** If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.

# Proxy Form

Please mark  to indicate your directions

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

I/We being a member/s of 3D Oil Limited hereby appoint

the Chairman of the Meeting **OR**

**PLEASE NOTE:** Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the Annual General Meeting of 3D Oil Limited to be held as a virtual meeting on Tuesday, 17 November 2020 at 3:00 PM (AEDT) and at any adjournment or postponement of that meeting.

**Chairman authorised to exercise undirected proxies on remuneration related resolutions:** Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on Resolutions 1, 3, 4 and 5 (except where I/we have indicated a different voting intention in step 2) even though Resolutions 1, 3, 4 and 5 are connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chairman.

**Important Note:** If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on Resolutions 1, 3, 4 and 5 by marking the appropriate box in step 2.

## Step 2 Items of Business

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

	For	Against	Abstain
Resolution 1 Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2 Re-election of Mr Ian Tchacos as a Director of the Company	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3 Adoption of Equity Incentive Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4 Approval to Grant Performance Rights to Mr Ian Tchacos	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5 Approval to Grant Performance Rights to Mr Leo De Maria	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6 Approval to amend the Company's Constitution	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 7 Approval of 10% Placement Facility	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business. In exceptional circumstances, the Chairman of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

## Step 3 Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1  Securityholder 2  Securityholder 3  / /  
 Sole Director & Sole Company Secretary Director Director/Company Secretary Date

**Update your communication details** (Optional)

Mobile Number  Email Address  By providing your email address, you consent to receive future Notice of Meeting & Proxy communications electronically