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**QUEST PETROLEUM NL**

**ABN 22 009 171 046**

**NOTICE OF ANNUAL GENERAL MEETING**

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**TIME:** 11.00am (WST)

**DATE:** 28 November 2014

**PLACE:** Subiaco Arts Centre  
180 Hamersley Road  
SUBIACO WA 6008

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

***Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on (08) 9380 9920.***



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## TIME AND PLACE OF MEETING AND HOW TO VOTE

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### VENUE

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The Annual General Meeting of the Shareholders of Quest Petroleum NL which this Notice of Meeting relates to will be held at 11.00 am (WST) on Friday, 28 November 2014 at:

Subiaco Arts Centre  
180 Hamersley Road  
SUBIACO WA 6008

### YOUR VOTE IS IMPORTANT

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

### VOTING IN PERSON

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

### VOTING BY PROXY

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

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

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

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

- if proxy holders vote, they must cast all directed proxies as directed; and
- any directed proxies which are not voted will automatically default to the Chair, who must vote the proxies as directed.

Further details on these changes is set out below.

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

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

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

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

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

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

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

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## NOTICE OF ANNUAL GENERAL MEETING

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Notice is given that the Annual General Meeting of Shareholders of Quest Petroleum NL will be held at Subiaco Arts Centre, 180 Hamersley Road, Subiaco at 11.00am (WST) on 28 November 2014.

The Explanatory Statement to this Notice of Meeting provides additional information on matters to be considered at the Annual General Meeting. The Explanatory Statement and the Proxy Form are part of this Notice of Meeting.

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Annual General Meeting are those who are registered Shareholders of the Company at 5.00pm (WST) on 26 November 2014.

Terms and abbreviations used in this Notice of Meeting and Explanatory Statement are defined in the Glossary.

### AGENDA

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#### 1. ORDINARY BUSINESS

##### FINANCIAL STATEMENTS AND REPORTS

To receive and consider the annual financial report of the Company for the financial year ended 30 June 2014 together with the Directors' report, Directors' declarations and the auditor's report of Quest Petroleum.

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

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

*"That, for the purpose of Section 250R(2) of the Corporations Act and for all other purposes, approval is given for the adoption of the remuneration report as contained in the Company's annual financial report for the financial year ended 30 June 2014."*

**Short Explanation:** The Corporations Act provides that a resolution that the remuneration report be adopted must be put to vote at a listed company's annual general meeting. The vote on Resolution 1 is advisory only and does not bind the Directors or the Company.

**Voting Prohibition Statement:**

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

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

However, a person described above may vote on this Resolution if the vote is not cast on behalf of a person excluded from voting on this Resolution, and:

- (a) the person is appointed as proxy by writing that specifies the way the proxy is to vote on the Resolution; or
- (b) the person is the Chair and the appointment of the Chair as proxy does not specify the way the proxy is to vote on this Resolution, but expressly authorises the Chair to exercise the proxy even if this Resolution is connected with the remuneration of a member of the Key Management Personnel.

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### 3. RESOLUTION 2 – RE-ELECTION OF MR GREGORY LEE AS A DIRECTOR

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

*"That, for purposes of clause 13.2 of the Constitution, ASX Listing Rule 14.4 and for all other purposes, Mr Gregory Lee, being a Director who retires by rotation, and being eligible for re-election, be re-elected as a Director of the Company."*

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

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

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

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

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### 5. RESOLUTION 4 – RATIFICATION OF PRIOR ISSUE – SALARY SACRIFICE SHARES

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

*"That, for the purpose of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 78,325,135 pre-Consolidation Shares on the terms and conditions set out in the Explanatory Statement."*

**Voting Exclusion:** The Company will disregard any votes cast on this Resolution by a person who participated in the issue and any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

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### 6. RESOLUTION 5 – ISSUE OF SHARES TO MR GREGORY LEE IN LIEU OF DIRECTOR'S FEES UNDER SALARY SACRIFICE PROGRAM

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

*"That, for the purposes of Section 208 of the Corporations Act, ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue 16,825,364 pre-Consolidation Shares to Mr Gregory Lee (or his nominee) in lieu of director's fees under a salary sacrifice program on the terms and conditions set out in the Explanatory Statement."*

**Voting Exclusion:** The Company will disregard any votes cast on this Resolution by Mr Gregory Lee (or his nominee) and any of their associates. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

**Voting Prohibition Statement:**

A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- (a) the proxy is either:
  - (i) a member of the Key Management Personnel; or
  - (ii) a Closely Related Party of such a member; and
- (b) the appointment does not specify the way the proxy is to vote on this Resolution.

However, the above prohibition does not apply if:

- (a) the proxy is the Chair; and
- (b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

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**7. RESOLUTION 6 – ISSUE OF SHARES TO MR JEFFREY MITCHELL IN LIEU OF DIRECTOR'S FEES UNDER SALARY SACRIFICE PROGRAM**

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

*"That, for the purposes of Section 208 of the Corporations Act, ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue 16,825,364 pre-Consolidation Shares to Mr Jeffrey Mitchell (or his nominee) in lieu of director's fees under a salary sacrifice program on the terms and conditions set out in the Explanatory Statement."*

**Voting Exclusion:** The Company will disregard any votes cast on this Resolution by Mr Jeffrey Mitchell (or his nominee) and any of their associates. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

**Voting Prohibition Statement:**

A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- (a) the proxy is either:
  - (i) a member of the Key Management Personnel; or
  - (ii) a Closely Related Party of such a member; and
- (b) the appointment does not specify the way the proxy is to vote on this Resolution.

However, the above prohibition does not apply if:

- (a) the proxy is the Chair; and
- (b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

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**8. RESOLUTION 7 – ISSUE OF SHARES TO MR ANTHONY MILEWSKI IN LIEU OF DIRECTOR'S FEES UNDER SALARY SACRIFICE PROGRAM**

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

*"That, for the purposes of Section 208 of the Corporations Act, ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue 19,051,440 pre-Consolidation Shares to Mr Anthony Milewski (or his nominee) in lieu of director's fees under a salary sacrifice program on the terms and conditions set out in the Explanatory Statement."*

**Voting Exclusion:** The Company will disregard any votes cast on this Resolution by Mr Anthony Milewski (or his nominee) and any of their associates. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

**Voting Prohibition Statement:**

A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- (a) the proxy is either:
  - (i) a member of the Key Management Personnel; or
  - (ii) a Closely Related Party of such a member; and
- (b) the appointment does not specify the way the proxy is to vote on this Resolution.

However, the above prohibition does not apply if:

- (a) the proxy is the Chair; and
- (b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

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**9. RESOLUTION 8 – ISSUE OF PERFORMANCE RIGHTS TO MR JEFFREY MITCHELL**

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

*"That, for the purposes of Section 208 of the Corporations Act, Listing Rule 10.14 and for all other purposes, approval is given for the Company to allot and issue:*

- (a) 5,000,000 Class A Performance Rights;
- (b) 5,000,000 Class B Performance Rights;
- (c) 5,000,000 Class C Performance Rights;
- (d) 5,000,000 Class D Performance Rights;
- (e) 10,000,000 Class E Performance Rights; and
- (f) 10,000,000 Class F Performance Rights.

*on a pre-Consolidation basis to Mr Jeffrey Mitchell (or his nominee) on the terms and conditions set out in the Explanatory Statement."*



**Voting Exclusion:** The Company will disregard any votes cast on this Resolution by a Director (except one who is ineligible to participate in any employee incentive scheme in relation to the Company) and any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form or it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

**Voting Prohibition Statement:**

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

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

However, a person described above may vote on this Resolution if the vote is not cast on behalf of a person excluded from voting on this Resolution, and:

- (a) the person is appointed as proxy by writing that specifies the way the proxy is to vote on the Resolution; or
- (b) the person is the Chair and the appointment of the Chair as proxy does not specify the way the proxy is to vote on this Resolution, but expressly authorises the Chair to exercise the proxy even if this Resolution is connected with the remuneration of a member of the Key Management Personnel.

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## 10. RESOLUTION 9 – SHARE PLACEMENT FACILITY

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

*"That, for the purpose of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Company to allot and issue up to 1,000,000,000 pre-Consolidation Shares at an issue price of not less than 80% of the average market price for Shares on the five trading days prior to the issue of the Shares, to institutional and professional and sophisticated investors and otherwise on the terms and conditions set out in the Explanatory Statement."*

**Short Explanation:** Under the Listing Rules, the Company may seek Shareholder approval prior to the issue of equity securities to allow it the flexibility to make future issues of securities up to the threshold of 15% of its total ordinary securities in any one 12 month period. Please refer to the Explanatory Statement for further details. If this Resolution is passed, the Company will be permitted to issue up to 1,000,000,000 Shares to persons who are not related parties of the Company within a period of 3 months from the date of the Annual General Meeting.

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

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**11. RESOLUTION 10 – CONSOLIDATION OF CAPITAL**

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

*"That, pursuant to section 254H of the Corporations Act and for all other purposes, the issued capital of the Company be consolidated on the basis that:*

*(a) every 20 Shares be consolidated into 1 Share; and*

*(b) every 20 Options be consolidated into 1 Option,*

*and, where this Consolidation results in a fraction of a Share or an Option being held, the Company be authorised to round that fraction up to the nearest whole Share or Option (as the case may be)."*

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**12. RESOLUTION 11 – CHANGE OF COMPANY NAME**

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

*"That, for the purposes of section 157(1)(a) and for all other purposes, approval is given for the name of the Company to be changed to **Indus Energy NL**."*

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**BY ORDER OF THE BOARD**

**JONATHAN WHYTE  
COMPANY SECRETARY  
QUEST PETROLEUM NL**

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## EXPLANATORY STATEMENT

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This Explanatory Statement has been prepared for the information of the Shareholders of the Company in connection with the business to be conducted at the Annual General Meeting to be held at Subiaco Art Centre, 180 Hamersley Road, Subiaco, Western Australia on 28 November 2014 at 11.00am (WST).

This purpose of this Explanatory Statement is to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions in the Notice of Meeting.

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### 1. FINANCIAL STATEMENTS AND REPORTS

In accordance with the Constitution, the business of the Annual General Meeting will include receipt and consideration of the annual financial report of the Company for the financial year ended 30 June 2014 together with the declaration of the Directors, the Directors' report, the Remuneration Report and the auditor's report.

In accordance with amendments to the Corporations Act the Company is no longer required to provide a hard copy of the Company's annual financial report to Shareholders unless a Shareholder has specifically elected to receive a printed copy. These amendments may result in reducing the Company's printing costs.

Whilst the Company will not provide a hard copy of the Company's annual financial report unless specifically requested to do so, Shareholders may view the Company annual financial report on its website at [www.qpnl.com.au](http://www.qpnl.com.au).

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

#### 2.1 General

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

The remuneration report sets out the company's remuneration arrangements for the directors and senior management of the company. The remuneration report is part of the directors' report contained in the annual financial report of the company for a financial year.

The chair of the meeting must allow a reasonable opportunity for its shareholders to ask questions about or make comments on the remuneration report at the annual general meeting.

#### 2.2 Voting consequences

Under changes to the Corporations Act which came into effect on 1 July 2011, a company is required to put to its shareholders a resolution proposing the calling of another meeting of shareholders to consider the appointment of directors of the company (**Spill Resolution**) if, at consecutive annual general meetings, at least 25% of the votes cast on a remuneration report resolution are voted against adoption of the remuneration report and at the first of those annual general meetings a Spill Resolution was not put to vote. If required, the Spill Resolution must be put to vote at the second of those annual general meetings.

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

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

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

## **2.3 Previous voting results**

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

## **2.4 Proxy voting restrictions**

Shareholders appointing a proxy for this Resolution should note the following:

<b>Proxy</b>	<b>Directed</b>	<b>Undirected</b>
Key Management Personnel <sup>1</sup>	Voted	Not voted <sup>3</sup>
Chair <sup>2</sup>	Voted	Voted at discretion of Proxy <sup>4</sup>
Other	Voted	Voted at discretion of Proxy

Notes:

<sup>1</sup> Refers to Key Management Personnel (other than the Chair) whose remuneration details are included in the Remuneration Report, or a Closely Related Party of such a member.

<sup>2</sup> Refers to the Chair (where he/she is also a member of the Key Management Personnel whose remuneration details are included in the Remuneration Report), or a Closely Related Party of such a member).

<sup>3</sup> Undirected proxies granted to these persons will not be voted and will not be counted in calculating the required majority if a poll is called on this Resolution.

<sup>4</sup> The Proxy Form notes it is the Chair's intention to vote all undirected proxies in favour of all Resolutions.

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## **3. RESOLUTION 2 – RE-ELECTION OF MR GREGORY LEE AS A DIRECTOR**

ASX Listing Rule 14.4 provides that a director of an entity must not hold office (without re-election) past the third AGM following the director's appointment or 3 year, whichever is the longer.

Clause 13.2 of the Constitution requires that at each annual general meeting one-third of the Directors must retire from office and if their number is not a multiple of three, then the number nearest one third (rounded upwards in case of doubt). The calculation of the number of Directors required to retire from office in accordance with clause 13.2 excludes Directors who are retiring pursuant to clause 13.4 of the Constitution.

The Directors to retire at an annual general meeting are those who have been longest in office since their last election, but, as between persons who became Directors on the same day, those to retire shall (unless they otherwise agree among themselves) be determined by drawing lots.

In accordance with the Constitution, Mr Gregory Lee, the Director longest in office since his last election, retires from office and offers himself for re-election as a Director.

A profile of Mr Lee is contained in the Company's Annual Report for the financial year ended 30 June 2014.

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

### **4.1 General**

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

The Company is an Eligible Entity.

If Shareholders approve Resolution 4, the number of Equity Securities the Eligible Entity may issue under the 10% Placement Capacity will be determined in accordance with the formula prescribed in Listing Rule 7.1A.2 (as set out in section 5.2 below).

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

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

### **4.2 Listing Rule 7.1A**

Listing Rule 7.1A came into effect on 1 August 2012 and enables an Eligible Entity to seek shareholder approval at its annual general meeting to issue Equity Securities in addition to those under the Eligible Entity's 15% annual placement capacity.

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

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

The Company is an Eligible Entity as it is not included in the S&P/ASX 300 Index and has a current market capitalisation of \$3,096,352 (as at 17 October 2014).

Any Equity Securities issued must be in the same class as an existing class of quoted Equity Securities. The Company currently has two classes of Equity Securities on issue, being the Shares (ASX Code: QPN) and Listed Options (ASX Code: QPNO).

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

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

Where:

- A** is the number of Shares on issue 12 months before the date of issue or agreement to issue:
- (i) plus the number of Shares issued in the previous 12 months under an exception in Listing Rule 7.2;
  - (ii) plus the number of partly paid shares that became fully paid in the previous 12 months;
  - (iii) plus the number of Shares issued in the previous 12 months with approval of holders of Shares under Listing Rules 7.1 and 7.4; and
  - (iv) less the number of Shares cancelled in the previous 12 months.
- D** is 10%.
- E** is the number of Equity Securities issued or agreed to be issued under Listing Rule 7.1A.2 in the 12 months before the date of issue or agreement to issue that are not issued with the approval of holders of Ordinary Securities under Listing Rule 7.1 or 7.4.

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

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

**(a) Minimum Price**

The minimum price at which the Equity Securities may be issued is 75% of the volume weighted average price of Equity Securities in that class, calculated over the 15 ASX trading days on which trades in that class were recorded immediately before:

- (i) the date on which the price at which the Equity Securities are to be issued is agreed; or
- (ii) if the Equity Securities are not issued within 5 ASX trading days of the date in section 5.3(i), the date on which the Equity Securities are issued.

**(b) Date of Issue**

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

- (i) 12 months after the date of this Meeting; and

- (ii) the date of approval by Shareholders of any transaction under Listing Rules 11.1.2 (a significant change to the nature or scale of the Company's activities) or 11.2 (disposal of the Company's main undertaking) (after which date, an approval under Listing Rule 7.1A ceases to be valid).

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

**(c) Risk of voting dilution**

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

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

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

The table also shows the voting dilution impact where the number of Shares on issue (variable A in the formula) changes and the economic dilution where there are changes in the issue price of Shares issued under the 10% Placement Capacity. The number of Shares and price are shown on a pre-Consolidation basis (refer to Section 9 for further information on the Consolidation).

Number of Shares on Issue (variable A)	Issue Price (per Share)	Dilution		
		\$0.0005 (50% decrease in current issue price)	\$0.001 Issue Price (per Share)	\$0.002 (100% increase in current issue price)
3,149,053,956 (Current)	Shares issued	314,905,396 Shares	314,905,396 Shares	314,905,396 Shares
	Funds Raised	\$157,452.70	\$314,905.40	\$629,810.79
4,723,580,934 (50% increase)*	Shares issued	472,358,093 Shares	472,358,093 Shares	472,358,093 Shares
	Funds Raised	\$236,179.05	\$472,358.09	\$944,716.19
6,298,107,912 (100% increase)*	Shares issued	629,810,791 Shares	629,810,791 Shares	629,810,791 Shares
	Funds Raised	\$314,905.40	\$629,810.79	\$1,259,621.58

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

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

1. There are currently a total of 3,149,053,956 Shares on issue (including the Shares to be issued pursuant to Resolutions 5 to 7 but not including Shares to be issued under Resolution 9 (for which there is no certainty of issue) or the 675,785 partly paid shares in the capital of the Company). The issue price set out above is the closing price of the Shares on the ASX on 8 October 2014.
2. The Company issues the maximum possible number of Equity Securities under the 10% Placement Capacity.
3. The Company has not issued any Equity Securities in the 12 months prior to the Meeting that were not issued under an exception in Listing Rule 7.2 or with approval under Listing Rule 7.1.
4. The calculations above do not show the dilution that any one particular Shareholder will be subject to. All Shareholders should consider the dilution caused to their own shareholding depending on their specific circumstances.
5. This table does not set out any dilution pursuant to approvals under Listing Rule 7.1.
6. No Listed 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;
7. The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%;
8. The 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.
9. Shareholders should note that there is a risk that the market price for the Company's Shares may be lower on the issue date than on the date of the Meeting; and
10. the Shares may be issued at a price that is at a discount to the market price for those Shares on the date of issue.

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

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

- (i) as cash consideration in which case the Company intends to use funds raised for the ongoing exploration program at the Company's Ranau oil and gas projects in South Sumatra, Indonesia and for working capital purposes; or
- (ii) as non-cash consideration for the acquisition of new projects, assets and investments, in such circumstances the Company will provide a valuation of the non-cash consideration as required by listing Rule 7.1A.3.

The Company will comply with the disclosure obligations under Listing Rules 7.1A(4) and 3.10.5A upon issue of any Equity Securities.

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

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

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



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

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

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

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

The Company previously obtained approval from its Shareholders pursuant to Listing Rule 7.1A at its annual general meeting held on 21 November 2013 (**Previous Approval**).

The Company has not issued any Equity Securities pursuant to the Previous Approval.

During the 12 month period preceding the date of the Meeting, being on and from 21 November 2013, the Company otherwise issued a total of 197,959,463 Shares which represents approximately 6.83% of the total diluted number of Equity Securities on issue in the Company on 21 November 2013, which was 2,898,392,325.

Further details of the issues of Equity Securities by the Company during the 12 month period preceding the date of the Meeting are set out in Schedule 4.

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

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

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

#### 4.4 Voting Exclusion

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

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### 5. RESOLUTION 4 – RATIFICATION OF PRIOR ISSUE – SALARY SACRIFICE SHARES

#### 5.1 General

On 20 February 2014 the Company announced that the Directors and senior executives had unanimously agreed to adopt a salary sacrifice program (**SSP**) to ensure funds were both preserved and directed towards the Company's key priorities. The SSP will reduce the cash component of Director and senior executive remuneration in exchange for Shares.

The Company's Chief Operating Officer Mr Kenneth Bull received 78,325,135 Shares under the SSP.

Mr. Bull is not a related party of the Company.

Resolution 4 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of those Shares (**Share Ratification**).

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more equity securities during any 12 month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period.

ASX Listing Rule 7.4 sets out an exception to ASX Listing Rule 7.1. It provides that where a company in a general meeting ratifies the previous issue of securities made pursuant to ASX Listing Rule 7.1 (and provided that the previous issue did not breach ASX Listing Rule 7.1) those securities will be deemed to have made with shareholder approval for the purpose of ASX Listing Rule 7.1.

By ratifying this issue, the Company will retain the flexibility to issue equity securities in the future up to the 15% annual placement capacity set out in ASX Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

#### 5.2 Technical information required by ASX Listing Rule 7.5

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to the Share Ratification:

- (a) a total of 78,325,135 Shares were issued;
- (b) the Shares were issued for nil consideration in lieu of consulting fees under the SSP and were payable as satisfaction of services provided by Mr. Bull under his existing consulting agreement;
- (c) the Shares are fully paid ordinary shares in the Company on the same terms as all existing Shares on issue;
- (d) the Shares were issued to Mr. Kenneth Bull, as consideration for consulting services rendered to the Company. Mr. Bull is not a related party of the Company; and
- (e) no funds were raised from this issue as the Shares were issued to Mr. Bull in consideration for consulting services rendered to the Company.

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## **6. RESOLUTIONS 5, 6 AND 7 – ISSUE OF SHARES TO DIRECTORS UNDER SALARY SACRIFICE PROGRAM**

### **6.1 Background**

The Company has agreed, subject to obtaining Shareholder approval, to issue a total of 52,702,168 pre-Consolidation Shares, being those Shares payable to Directors under the SSP as at the date of this Notice, to Messrs Gregory Lee, Jeffrey Mitchell and Anthony Milewski (**Related Parties**) on the terms and conditions set out below. A summary of the SSP is set out in Section 5.1. Where Resolution 10 is passed, the number of Shares issued will be consolidated on the same ratio as the Consolidation (1 for 20).

The purpose of the issue of Shares to the Related Parties is to ensure funds are both preserved and directed towards the Company's key priorities.

Where any of the Resolutions are not passed, the relevant Director retains the right to receive in cash the portion of their Directors' fees that they would otherwise have foregone.

### **6.2 Related Party Transaction**

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 in the manner set out in Sections 217 to 227 of the Corporations Act; 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.

The issue of Shares to the Related Parties under the SSP requires the Company to obtain Shareholder approval because this constitutes giving a financial benefit and the Related Parties are related parties of the Company by virtue of being Directors.

In addition, ASX Listing Rule 10.11 also requires shareholder approval to be obtained where an entity issues, or agrees to issue, securities to a related party, or a person whose relationship with the entity or a related party is, in ASX's opinion, such that approval should be obtained unless an exception in ASX Listing Rule 10.12 applies.

It is the view of the Company that the exceptions set out in sections 210 to 216 of the Corporations Act and ASX Listing Rule 10.12 do not apply in the current circumstances. Accordingly, Shareholder approval is sought for the issue of the Shares to the Related Parties.

### **6.3 Shareholder Approval (Chapter 2E of the Corporations Act and Listing Rule 10.11)**

Pursuant to and in accordance with the requirements of section 219 of the Corporations Act and ASX Listing Rule 10.13, the following information is provided in relation to the proposed issue of Shares to the Related Parties:

- (a) the related parties are Messrs Gregory Lee, Jeffrey Mitchell and Anthony Milewski and they are related parties by virtue of being Directors;

- (b) the maximum number of Shares (being the nature of the financial benefit being provided) to be granted under Resolutions 5 to 7 to the Related Parties is:
- (i) to Mr Gregory Lee: 16,825,364 pre-Consolidation Shares;
  - (ii) to Mr Jeffrey Mitchell: 16,825,364 pre-Consolidation Shares; and
  - (iii) to Mr Anthony Milewski: 19,051,440 pre-Consolidation Shares;
- (c) the Shares will be granted to the Related Parties for nil cash consideration in satisfaction of fees owing to the Directors at a deemed issue price per Share equal to the volume weighted average price of Shares calculated over the last 5 trading days of the month prior to the month in which the Shares are issued. This will occur prior to the Consolidation occurring. Accordingly, no loans will be made in relation to, and no funds will be raised from, the issue of the Shares;
- (d) the trading history of the Shares on ASX in the 12 months before the date of this Notice of Meeting is as follows:

Highest	0.3 cents on numerous dates
Lowest	0.1 cents on numerous dates
Last	0.1 cents on 8 October 2014

- (e) the Related Parties currently have an interest in the following securities in the Company (on a pre-Consolidation basis):

Participating Director	Shares	Options	Class A Performance Rights (expiring 30 June 2016) 2	Class B Performance Rights (expiring 30 June 2016) 3	Class C Performance Rights (expiring 30 June 2016) 4	Class D Performance Rights (expiring 30 June 2016) 5	Class E Performance Rights (expiring 30 June 2016) 6	Class F Performance Rights (expiring 30 June 2016) 7
Mr Gregory Lee	7,766,888	6,945,238	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	3,000,000
Mr Jeffrey Mitchell	-	-	-	-	-	-	-	-
Mr Anthony Milewski	7,233,334	516,667 <sup>1</sup>	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	15,000,000

- 7,003,101 Listed Options exercisable at \$0.015 on or before 30 June 2016.
- The Class A Performance Rights convert into fully paid ordinary shares in the Company upon the market capitalisation of the Company being equal to or above \$25,000,000 for thirty (30) consecutive trading days. The Class A Performance Rights will not be capable of conversion into fully paid ordinary shares prior to the Class A Performance Rights Vesting Date of 31 December 2012.
- The Class B Performance Rights convert into fully paid ordinary shares in the Company upon the market capitalisation of the Company being equal to or above \$45,000,000 for thirty (30) consecutive trading days. The Class B Performance Rights will not be capable of conversion into fully paid ordinary shares prior to the Class B Performance Rights Vesting Date of 31 March 2013.

4. The Class C Performance Rights convert into fully paid ordinary shares in the Company upon the market capitalisation of the Company being equal to or above \$65,000,000 for thirty (30) consecutive trading days. The Class C Performance Rights will not be capable of conversion into fully paid ordinary shares prior to the Class C Performance Rights Vesting Date of 30 June 2013.
  5. The Class D Performance Rights convert into fully paid ordinary shares in the Company upon the market capitalisation of the Company being equal to or above \$100,000,000 for thirty (30) consecutive trading days. The Class D Performance Rights will not be capable of conversion into fully paid ordinary shares prior to the Class D Performance Rights Vesting Date of 31 December 2013.
  6. The Class E Performance Rights convert into fully paid ordinary shares in the Company upon the market capitalisation of the Company being equal to or above \$200,000,000 for thirty (30) consecutive trading days. The Class E Performance Rights will not be capable of conversion into fully paid ordinary shares prior to the Class E Performance Rights Vesting Date of 31 March 2014.
  7. The Class F Performance Rights convert into fully paid ordinary shares in the Company upon the market capitalisation of the Company being equal to or above \$500,000,000 for thirty (30) consecutive trading days. The Class F Performance Rights will not be capable of conversion into fully paid ordinary shares prior to the Class F Performance Rights Vesting Date of 30 June 2014.
- (f) The Related Parties currently receive the following remuneration and emoluments from the Company:
- (i) Mr Gregory Lee currently receives remuneration of \$36,000 per year in salary and fees (in the previous financial year Mr Lee received \$29,450 in salary and fees);
  - (ii) Mr Jeffrey Mitchell currently receives remuneration of \$36,000 per year in salary and fees and a further \$2,000 per day for technical consulting services on an as needed basis (in the previous financial year Mr Mitchell received \$48,153 in salary and fees; and
  - (iii) Mr Anthony Milewski currently receives remuneration of USD \$1,300 per day (in the previous financial year Mr Milewski received \$338,465 in salary and fees);
- (g) If all SSP Shares are issued to the Related Parties, a total of 52,702,168 pre-Consolidation Shares would be issued under Resolutions 5, 6 and 7. This will increase the number of Shares on issue from 3,096,351,788 to 3,149,053,956 (assuming that no other Options are exercised and no other Shares are issued) on a pre-Consolidation basis with the effect that the shareholding of existing Shareholders would be diluted as follows:

Participating Director	Issued Shares as at the date of this Notice of Meeting	Number of SSP Shares to be issued	Shares held upon Issue of SSP Shares	Dilutionary effect if all SSP Shares to Directors are issued
Mr Gregory Lee	7,766,888	16,825,364	24,592,252	0.53%
Mr Jeffrey Mitchell	-	16,825,364	16,825,364	0.53%
Mr Anthony Milewski	7,233,334	19,051,440	26,284,774	0.60%
<b>TOTAL</b>	3,096,351,788	52,702,168	3,149,053,956	1.66%

- (i) the Shares will be issued to the Related Parties no later than 1 month after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the Listing Rules) and it is anticipated the Shares will be issued on one date;
  - (ii) the primary purpose of the Issue of the Shares under the SSP is to ensure funds were both preserved and directed towards the Company's key priorities. These measures will result in cash savings that will be re-directed to project development activities;
  - (iii) the SSP, including the Shares to be issued to the Related Parties, was approved by the Board. In making this determination, the Board considered it appropriate in the current market that the Company directs cash resources to the advancement of its Ranau Project and the review of future project acquisition opportunities;
  - (iv) the Board believes that the issue of Shares pursuant to the SSP provides cost effective consideration to the Related Parties for their ongoing commitment and contribution to the Company in their respective roles as Directors of the Company. Given this purpose, the Board does not consider that there are any opportunity costs to the Company or benefits foregone by the Company in issuing the Shares upon the terms proposed; and
  - (v) the Board acknowledges the grant of Shares to Messrs Gregory Lee and Jeffrey Mitchell is contrary to Recommendation 9.3 of the ASX Good Corporate Governance and Best Practice Recommendations. However, the Board considers the issue of Shares to Messrs Gregory Lee and Jeffrey Mitchell is reasonable in the circumstances, given that it will assist the Company in achieving its goals by aligning the interests of Messrs Gregory Lee and Jeffrey Mitchell with the interests of Shareholders, whilst directing the Company's cash to exploration and development activities;
- (h) Should approval not be obtained for Resolutions 5 to 7 then the Related Parties will be paid all remuneration amounts owing under the SSP in cash rather than Shares; and
- (i) the Board is not aware of any other information that would be reasonably required by Shareholders to allow them to make a decision whether it is in the best interests of the Company to pass Resolutions 5 to 7.

Approval pursuant to ASX Listing Rule 7.1 is not required in order to issue the Shares to the Related Parties as approval is being obtained under ASX Listing Rule 10.11. Accordingly, the issue of Shares to the Related Parties will not be included in the 15% calculation of the Company's annual placement capacity pursuant to ASX Listing Rule 7.1.

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## **7. RESOLUTION 8 – ISSUE OF PERFORMANCE RIGHTS TO JEFFREY MITCHELL**

### **7.1 Background**

The Company has agreed, subject to obtaining Shareholder approval, to issue a total of 40,000,000 pre-Consolidation Performance Rights to Mr Jeffrey Mitchell, which represents approximately 1.29% of the current pre-Consolidation issued capital of the Company, on the terms and conditions set out below.

The Performance Rights will consist of:

- (a) 5,000,000 Class A Performance Rights;
- (b) 5,000,000 Class B Performance Rights;
- (c) 5,000,000 Class C Performance Rights;
- (d) 5,000,000 Class D Performance Rights;
- (e) 10,000,000 Class E Performance Rights; and
- (f) 10,000,000 Class F Performance Rights.

The Class A to Class F Performance Rights will each be convertible into fully paid ordinary Shares upon the satisfaction of various criteria, as set out in the terms of the Performance Rights contained in Schedule 2 and in Section 7.4 below, or such similar terms as are acceptable to ASX and the Company.

The purpose of the issue of Performance Rights to Mr Mitchell is to further motivate and reward Mr Mitchell's performance in achieving specified performance milestones within a specified performance period.

### **7.2 Related Party Transaction**

The Performance Rights are to be issued to Mr Mitchell to provide further incentive to perform and secure the ongoing commitment of Mr Mitchell to the continued growth of the Company.

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 in the manner set out in Sections 217 to 227 of the Corporations Act; 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.

The issue of Performance Rights to Mr Mitchell under the PRP requires the Company to obtain Shareholder approval because this constitutes giving a financial benefit and Mr Mitchell is a related party of the Company by virtue of being a Director.

### 7.3 Listing Rule 10.14

Listing Rule 10.14 provides that a company must not permit any of the following persons to acquire securities under an employee incentive scheme without the approval of holders of ordinary securities of the acquisition:

- (a) a director of the company;
- (b) an associate of a director; or
- (c) a person whose relationship with the company or a person referred to in (a) or (b) above is, in ASX's opinion, such that approval should be obtained.

If Resolution 8 is passed, Performance Rights will be issued to Mr Mitchell who is a Director of the Company. Therefore, the Company requires Shareholder approval to issue the Performance Rights to Mr Mitchell (or his nominee).

Approval pursuant to Listing Rule 7.1 is not required in order to issue the Performance Rights as approval is being obtained under Listing Rule 10.14 and Exception 9(b) of Listing Rule 7.2. The issue of Performance Rights to Mr Mitchell will not be included in the 15% calculation for the purposes of Listing Rule 7.1.

It is the view of the Directors that the exceptions set out in Sections 210 to 216 of the Corporations Act and Listing Rule 10.12 do not apply in the current circumstances. Accordingly, Shareholder approval is sought for the grant of Performance Rights to Mr Mitchell.

### 7.4 Summary of the material terms of the Performance Rights

It is proposed that Mr Mitchell be issued six classes of Performance Rights for nil cash consideration.

Each Performance Right will vest as one Share subject to the satisfaction of certain performance criteria (**Performance Milestones**). In the event that the Performance Milestones are not met, the Performance Rights will not vest and as a result, no new Shares will be issued. There is nil consideration payable upon the vesting of a Performance Right.

In order for the Performance Rights to vest as Shares, the following Performance Milestones must be achieved:

- (a) the Class A Performance Rights shall vest and convert to Shares as follows:
  - (i) the market capitalisation of the Company is required to be equal to or above \$25,000,000 for thirty (30) consecutive trading days; and
  - (ii) the Performance Rights will not be capable of conversion into fully paid ordinary shares prior to the Class A Performance Rights vesting date of 31 December 2012,  
  
prior to 30 June 2016;



- (b) the Class B Performance Rights shall vest and convert to Shares as follows:
- (i) the market capitalisation of the Company is required to be equal to or above \$45,000,000 for thirty (30) consecutive trading days; and
  - (ii) the Performance Rights will not be capable of conversion into fully paid ordinary shares prior to the Class B Performance Rights vesting date of 31 March 2013,
- prior to 30 June 2016;
- (c) the Class C Performance Rights shall vest and convert to Shares as follows:
- (i) the market capitalisation of the Company is required to be equal to or above \$65,000,000 for thirty (30) consecutive trading days; and
  - (ii) the Performance Rights will not be capable of conversion into fully paid ordinary shares prior to the Class C Performance Rights vesting date of 30 June 2013,
- prior to 30 June 2016;
- (d) the Class D Performance Rights shall vest and convert to Shares as follows:
- (i) the market capitalisation of the Company is required to be equal to or above \$100,000,000 for thirty (30) consecutive trading days; and
  - (ii) the Performance Rights will not be capable of conversion into fully paid ordinary shares prior to the Class D Performance Rights vesting date of 31 December 2013,
- prior to 30 June 2016;
- (e) the Class E Performance Rights shall vest and convert to Shares as follows:
- (i) the market capitalisation of the Company is required to be equal to or above \$200,000,000 for thirty (30) consecutive trading days; and
  - (ii) the Performance Rights will not be capable of conversion into fully paid ordinary shares prior to the Class D Performance Rights vesting date of 31 March 2014,
- prior to 30 June 2016; and
- (f) the Class F Performance Rights shall vest and convert to Shares as follows:
- (i) the market capitalisation of the Company is required to be equal to or above \$500,000,000 for thirty (30) consecutive trading days; and

- (ii) the Performance Rights will not be capable of conversion into fully paid ordinary shares prior to the Class D Performance Rights vesting date of 30 June 2014,

prior to 30 June 2016.

However, the unvested Performance Rights vest upon the happening of any of the following events:

- (a) if a takeover bid is made, the takeover bid is declared unconditional and the bidder has acquired a relevant interest in more than 50% of the Company's Shares;
- (b) on the date of despatch of a notice of meeting to consider a scheme of arrangement between the Company and its creditors or members or any class thereof pursuant to section 411 of the Corporations Act seeking approval for a proposed compromise or arrangement for the purposes of or in connection with a scheme for the reconstruction of the Company or its amalgamation with any other company or companies; or
- (c) on the date upon which a person or a group of associated persons becomes entitled, subsequent to the date of grant of the Performance Rights, to sufficient Shares to give it or them the ability, in general meeting, to replace all or allow a majority of the Board in circumstances where such ability was not already held by a person associated with such person or group of associated persons.

## **7.5 Information required by the Corporations Act and the Listing Rules**

The following information is provided to satisfy the requirements of the Corporations Act and the Listing Rules:

Pursuant to and in accordance with the requirements of Sections 217 to 227 of the Corporations Act and Listing Rule 10.15, the following information is provided in relation to the proposed grant of Performance Rights:

- (a) the related party is Mr Jeffrey Mitchell and he is a related party by virtue of being a Director;
- (b) the maximum number of Performance Rights (being the nature of the financial benefit being provided) to be granted to Mr Mitchell is:
  - (i) 5,000,000 pre-Consolidation Class A Performance Rights;
  - (ii) 5,000,000 pre-Consolidation Class B Performance Rights;
  - (iii) 5,000,000 pre-Consolidation Class C Performance Rights
  - (iv) 5,000,000 pre-Consolidation Class D Performance Rights
  - (v) 10,000,000 pre-Consolidation Class E Performance Rights; and
  - (vi) 10,000,000 pre-Consolidation Class F Performance Rights;

- (c) the Performance Rights will be granted to Mr Mitchell for nil cash consideration and no consideration will be payable upon the vesting of the Performance Rights on the achievement of the specified performance criteria set out in paragraph 7.4 above. Accordingly, no loans will be made in relation to, and no funds will be raised from, the issue or vesting of the Performance Rights;
- (d) a total of 157,500,000 pre-Consolidation Performance Rights have previously been issued under the PRP;
- (e) as at the date of this Notice of Annual General Meeting, the related parties of the Company who are entitled to participate in the PRP are Messrs Anthony Milewski, John Simpson, Jeffrey Mitchell and Gregory Lee;
- (f) details of any Shares issued under the PRP will be published in each annual report of the Company relating to a period in which such securities have been issued, and that approval for the issue of such securities was obtained under Listing Rule 10.14;
- (g) any additional persons referred to in Listing Rule 10.14 who become entitled to participate in the PRP after Resolution 8 is approved and who were not named in the Notice will not participate in the PRP until approval is obtained under Listing Rule 10.14;
- (h) the value of the Performance Rights and the pricing methodology is set out in Schedule 3;
- (i) the trading history of the Shares on ASX in the 12 months before the date of this Notice of Meeting is as follows:

Highest	0.3 cents on numerous dates
Lowest	0.1 cents on numerous dates
Last	0.1 cents on 8 October 2014

- (j) Mr Mitchell does not currently have an interest in securities of the Company;
- (k) Mr Mitchell received \$48,153 in remuneration and emoluments from the Company in the financial year ending 30 June 2014 and currently receives remuneration of \$36,000 per year plus a further \$2,000 per day for technical consulting services on an as needed basis;
- (l) if all Performance Milestones attached to the Performance Rights granted to Mr Mitchell are met, a total of 40,000,000 pre-Consolidation Shares would be allotted and issued under Resolutions 8. This will increase the number of Shares on issue from 3,096,351,788 to 3,136,351,788 (assuming that no other Options are exercised and no other Shares are issued) on a pre-Consolidation basis with the effect that the shareholding of existing Shareholders would be diluted as follows:

Participating Director	Issued Shares as at the date of this Notice of Meeting	Number of Performance Rights to be issued	Issued Shares upon conversion of all Performance Rights	Dilutionary effect if all Performance Rights issued to Participating Director are converted
Mr Jeffrey Mitchell	-	40,000,000	40,000,000	1.27%
TOTAL	3,096,351,788	40,000,000	3,136,351,788	1.27%

- (m) the Performance Rights convert automatically on achievement of the performance criteria set out in paragraph 7.4 above. The full terms and conditions of the Performance Rights are set out in Schedule 2. The Shares to be issued upon the vesting of the Performance Rights shall rank pari passu with existing Shares;
- (n) the Performance Rights will be issued to Mr Mitchell no later than 12 months after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the Listing Rules) and it is anticipated the Performance Rights will be issued on one date;
- (o) the primary purpose of the issue of the Performance Rights under the PRP is to retain Mr Mitchell and link part of the remuneration paid to significant performance criteria, namely the achievement of the Performance Milestones;
- (p) the number and terms and conditions, including Performance Milestones, of the Performance Rights to be issued to Mr Mitchell, were approved by the Board. In making this determination, the Board considered an independent remuneration report and market levels of remuneration for companies of a similar size and nature to the Company;
- (q) the Board believes that the grant of Performance Rights pursuant to the PRP provides cost effective consideration Mr Mitchell for his ongoing commitment and contribution to the Company in his role as a Director of the Company. Given this purpose, the Board does not consider that there are any opportunity costs to the Company or benefits foregone by the Company in granting the Performance Rights upon the terms proposed; and
- (r) the Board acknowledges the grant of Performance Rights to Mr Jeffrey Mitchell is contrary to Recommendation 9.3 of the ASX Good Corporate Governance and Best Practice Recommendations. However, the Board considers the issue of Performance Rights to Mr Jeffrey Mitchell is reasonable in the circumstances, given that it will assist the Company in achieving its goals by aligning the interests of Mr Jeffrey Mitchell with the interests of Shareholders, whilst maintaining the Company's cash.

## 7.6 Directors' Recommendation

Mr Jeffrey Mitchell declines to make a recommendation to Shareholders in relation to Resolution 8 due to his material personal interest in the outcome of the Resolution. The other Directors, who do not have an interest in the outcome of Resolution 8, recommend that Shareholders vote in favour of Resolution 8. The Board (other than Mr Jeffrey Mitchell) is not aware of any other information that would be reasonably required by Shareholders to allow them to make a decision whether it is in the best interests of the Company to pass the Resolution.

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## 8. RESOLUTION 9 – SHARE PLACEMENT FACILITY

### 8.1 General

Resolution 9 seeks Shareholder approval pursuant to ASX Listing Rule 7.1 for the Directors to allot and issue up to 1,000,000,000 pre-Consolidation Shares under a share placement facility (**Placement Facility**).

None of the Shares the subject of the Placement Facility will be placed to related parties of the Company.

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

The effect of passing Resolution 9 will be to allow the Directors to issue Shares under the Placement Facility (if required) during the period of 3 months after the Annual General Meeting (or a longer period, if allowed by ASX), without eroding the Company's annual 15% placement capacity.

As at the date of this Notice of Meeting there has been no decision by the Directors whether to utilise the Placement Facility. The Directors believe that it is prudent for the Company to have a share placement facility available so that the Company has the flexibility to raise additional equity funding without Shareholder approval.

### 8.2 Technical information required by ASX Listing Rule 7.3

Pursuant to and in accordance with ASX Listing Rule 7.3, the following information is provided in relation to the Placement Facility:

- (a) the maximum number of securities to be issued is 1,000,000,000 Shares. Where Resolution 10 is approved, the number of Shares to be issued will be reduced to 50,000,000 to reflect the 1 for 20 Consolidation ratio;
- (b) the Shares will be issued no later than three (3) months after the date of the Annual General Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules);
- (c) the issue price will be not less than 80% of the average market price for Shares calculated over the 5 days on which sales in the Shares are recorded before the day on which the issue is made or, if there is a prospectus, over the last 5 days on which sales in the securities were recorded before the date the prospectus is signed;
- (d) as at the date of this Notice of Meeting there has been no decision by the Directors to issue any Shares. Accordingly, the names of any recipient or proposed recipient is not known and it is not known whether any issues will occur as a single issue or will occur progressively. The recipients will be identified at the Directors' discretion but the Shares will not be issued to related parties of the Company;

- (e) the Shares will be fully paid ordinary shares in the capital of the Company and will rank equally with the Company's current issued Shares. The Company will apply to ASX for quotation of the Shares; and
- (f) the funds raised under the Placement Facility will be used for ongoing exploration at the Company's Ranau Project in South Sumatra and for future project acquisition opportunities.

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## **9. RESOLUTION 10 – CONSOLIDATION OF CAPITAL**

### **9.1 Background**

If Resolution 10 is passed and excluding any Securities issued pursuant to the other Resolutions, the number of:

- (a) Shares on issue will be reduced from 3,096,351,788 to 154,817,590 (subject to rounding); and
- (b) Options on issue will be reduced from 783,864,904 to 39,193,246 (subject to rounding); and
- (c) Partly Paid Shares will be reduced from 675,785 to 33,790 (subject to rounding); and
- (d) Performance Rights on issue will be reduced from 197,500,000 to 9,875,000 (subject to rounding).

### **9.2 Legal requirements**

Section 254H of the Corporations Act provides that a company may, by resolution passed in a general meeting, convert all or any of its shares into a larger or smaller number.

### **9.3 Fractional entitlements**

Not all Security Holders will hold that number of Shares, Options Partly Paid Shares or Performance Rights (as the case may be) which can be evenly divided by 20. Where a fractional entitlement occurs, the Company will round that fraction up to the nearest whole Security.

### **9.4 Taxation**

It is not considered that any taxation implications will exist for Security holders arising from the Consolidation. However, Security holders are advised to seek their own tax advice on the effect of the Consolidation and the Company accepts any responsibility for the individual taxation implications arising from the Consolidation.

### **9.5 Holding statements**

From the date of the Consolidation, all holding statements for Securities will cease to have any effect, except as evidence of entitlement to a certain number of Securities on a post-Consolidation basis.

After the Consolidation becomes effective, the Company will arrange for new holding statements for Securities to be issued to holders of those Securities.

It is the responsibility of each Security Holder to check the number of Securities held prior to disposal or exercise (as the case may be).

## 9.6 Effect on capital structure

The effect which the Consolidation will have on the Company's capital structure is set out in the table below. The table includes the issue of all Securities for which approval is being sought in the Notice of Meeting.

Capital Structure	Shares	Partly Paid Shares	Listed Options <sup>1</sup>	Performance Rights
Pre-Consolidation Securities	3,096,351,788	675,785	783,864,904	197,500,000
Securities to be issued under Resolutions in Notice of Meeting <sup>3,4</sup>	1,052,702,168	Nil	Nil	40,000,000
<i>Sub-total</i>	4,149,053,956	675,785	783,864,904	237,500,000
Post 1 for 20 Consolidation of Securities (Resolution 10) <sup>2</sup>	<b>207,452,698</b>	<b>33,790</b>	<b>39,193,246</b>	<b>11,875,000</b>

1. The terms of these Options are set out in the table below.
2. Insert appropriate assumptions, ie that the placements are fully subscribed, no options are exercised, etc.
3. Assumes approval of those relevant Resolutions.
4. This number also assumes that all the Shares the subject of Resolution 9 are issued. The Company does not currently have any plan to issue these Shares, however, in accordance with the Listing Rules, these Shares must be issued within 3 months from the date of approval.

The effect the Consolidation will have on the terms of the Options is as set out in the tables below:

### Options – Pre Consolidation

Terms	Number
Options exercisable at 1.5 cents by 30 June 2016	783,864,904
<b>Total</b>	<b>783,864,904</b>

### Options – Post Consolidation

Terms	Number
Options exercisable at 30 cents by 30 June 2016	39,193,246
<b>Total</b>	<b>39,193,246</b>

## 9.7 Indicative timetable\*

If Resolution 10 is passed, the reduction of capital will take effect in accordance with the following timetable (as set out in Appendix 7A (paragraph 5) of the ASX Listing Rules):

Action	Date
Company announces Consolidation and sends out Notice of Meeting.	28 October 2014
Company tells ASX that Shareholders have approved the Consolidation.	28 November 2014
Company issues Securities the subject of the Notice of Meeting (assuming approval of each Resolution)	1 December 2014
Last day for pre-Consolidation trading.	1 December 2014
Post-Consolidation trading starts on a deferred settlement basis.	2 December 2014
Last day for Company to register transfers on a pre-Consolidation basis.	4 December 2014
First day for Company to send notice to each holder of the change in their details of holdings.	5 December 2014
First day for the Company to register Securities on a post-Consolidation basis and first day for issue of holding statements.	
Change of details of holdings date. Deferred settlement market ends.	11 December 2014
Last day for Securities to be entered into holders' Security holdings.	
Last day for the Company to send notice to each holder of the change in their details of holdings.	

## 10. RESOLUTION 11 – CHANGE OF COMPANY NAME

Section 157(1)(a) of the Corporations Act provides that a company may change its name if the company passes a special resolution adopting a new name.

Resolution 11 seeks the approval of Shareholders for the Company to change its name to Indus Energy NL.

If Resolution 11 is passed the change of name will take effect when ASIC alters the details of the Company's registration.

The proposed name has been reserved by the Company and if Resolution 11 is passed, the Company will lodge a copy of the special resolution with ASIC following the Meeting in order to effect the change.



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## GLOSSARY

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**\$** means Australian dollars.

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

**ASX** means ASX Limited or the Australian Securities Exchange, as the context requires.

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

**Business Day** has the meaning set out in the Listing Rules.

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

- (a) a spouse or child of the member;
- (b) a child of the member's spouse;
- (c) a dependent of the member or the member's spouse;
- (d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealing with the entity;
- (e) a company the member controls; or
- (f) a person prescribed by the Corporations Regulations 2001 (Cth) for the purposes of the definition of 'closely related party' in the Corporations Act.

**Company** means Quest Petroleum NL (ABN 22 009 171 046).

**Consolidation** means the consolidation of the Company's securities at a ratio of one security for every 20 securities held on the consolidation date.

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

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

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

**Equity Securities** has the same meaning as in the Listing Rules.

**Explanatory Statement** means the explanatory statement accompanying this Notice of Meeting.

**Key Management Personnel** has the same meaning as in the accounting standards issued by the Australian Accounting Standards Board and means those persons having authority and responsibility for planning, directing and controlling the activities of the Company, or if the Company is part of a consolidated entity, of the consolidated entity, directly or indirectly, including any director (whether executive or otherwise) of the Company, or if the Company is part of a consolidated entity, of an entity within the consolidated group.

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

**Listed Option** means an option which entitles the holder to subscribe for one Share.

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

**Optionholder** means the holder of a Listed Option.

**Proxy Form** means the proxy form attached to this Notice of Meeting.

**Remuneration Report** means the remuneration report set out in the Director's report section of the Company's annual financial report for the year ended 2013.

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

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

**Shareholder** means a holder of a Share or a Performance Share as the context requires.

**Strike** means a 'no' vote of 25% or more on the resolution approving the Remuneration Report.

**WST** means Western Standard Time, Perth, Western Australia.

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## SCHEDULE 1 – SUMMARY OF PERFORMANCE RIGHTS PLAN

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The full terms of the PRP may be inspected at the registered office of the Company during normal business hours. A summary of the terms of the PRP is set out below.

- (a) Subject to any necessary approvals from the Company's shareholders or as required by law or by the Listing Rules, the Board may, from time to time, at its absolute discretion and only where any Director and full time or part time employee of the Company, who is determined by the Board to be eligible to participate in the PRP (**Eligible Participants**), grant Performance Rights to Eligible Participants with effect from the date determined by the Board, upon the terms set out in the PRP and upon such additional terms and vesting conditions as the Board determines.
- (b) Each Performance Right will vest as an entitlement to one fully paid ordinary share in the capital of the Company (**Share**) provided that certain performance milestones are met. If the performance milestones are not met, the Performance Rights will lapse and the Eligible Participant will have no entitlement to any Shares.
- (c) The Company shall notify the Eligible Participant when the relevant vesting requirements have been satisfied and the Eligible Participant may then exercise their right to accept the vesting of the Performance Rights and be issued the Shares, following which the Company will issue the Shares and deliver notification of the Shareholding to the Eligible Participant.
- (d) Subject to the Company being listed on the ASX, the Company will, within 7 days of the date of the Shares being issued, make application to ASX for quotation of the Shares.
- (e) Shares resulting from the vesting of the Performance Rights shall, from the date of issue, rank pari passu with all other Shares on issue.
- (f) Performance Rights shall not be quoted on ASX.
- (g) Performance Rights shall not be transferred or assigned by an Eligible Participant except with the prior written consent of the Directors of the Company.
- (h) Subject to any right an Eligible Participant may have as a holder of shares, holders of Performance Rights may only participate in new issues of securities to holders of shares if the vesting requirements have been satisfied and the relevant Shares have been issued prior to the record date for determining entitlements to the issue. The Company shall give notice to holders of Performance Rights (as required under the Listing Rules) of any new issues of securities prior to the record date for determining entitlements to the issue.
- (i) If Shares are issued pro rata to the Company's shareholders generally by way of bonus issue (other than an issue in lieu of dividends or by way of dividend reinvestment) involving capitalisation of reserves or distributable profits, the number of Shares over which each Performance Right is exercisable may be increased by the number of Shares which the participant would have received if the Performance Right had been exercised before the record date for the bonus issue.
- (j) In the event of any reorganisation (including consolidation, subdivision, reduction or return) of the issued capital of the Company, all rights of a participant are to be changed in a manner consistent with the Corporations Act and the Listing Rules at the time of the reorganisation.

- (k) Unless the Eligible Participant agrees otherwise, all of a Eligible Participant's unvested Performance Rights vest automatically:
- (i) if a takeover bid is made, the takeover bid is declared unconditional and the bidder has acquired a relevant interest in more than 50% of the Company's shares; or
  - (ii) on the date of despatch of a notice of meeting to consider a scheme of arrangement between the Company and its creditors or members or any class thereof pursuant to section 411 of the Corporations Act seeking approval for a proposed compromise or arrangement for the purposes of or in connection with a scheme for the reconstruction of the Company or its amalgamation with any other company or companies; or
  - (iii) on the date upon which a person or a group of associated persons becomes entitled, subsequent to the date of grant of the Performance Rights, to sufficient Shares to give it or them the ability, in general meeting, to replace all or allow a majority of the Board in circumstances where such ability was not already held by a person associated with such person or group of associated persons.
- (l) The holder of Performance Rights does not have any entitlement to vote at a general meeting of Shareholders.

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## SCHEDULE 2 - TERMS AND CONDITIONS OF PERFORMANCE RIGHTS

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### Class A Performance Rights

The Class A Performance Rights entitle the holder to Shares on the following terms and conditions:

- (a) Subject to the satisfaction of the vesting condition set out in paragraph (b) below, each Class A Performance Right vests to one Share.
- (b) The Class A Performance Rights shall vest and convert to Shares as follows:
  - (i) the market capitalisation of the Company is required to be equal to or above \$25,000,000 for thirty (30) consecutive trading days; and
  - (ii) the Performance Rights will not be capable of conversion into fully paid ordinary shares prior to the Class A Performance Rights Vesting Date of 31 December 2012,prior to the Expiry Date (as defined below) ((b)(i) and (ii) together, the **Vesting Conditions** and each a **Vesting Condition**).
- (c) The Class A Performance Rights shall expire at 5.00 pm (WST) on 30 June 2016 (**Expiry Date**). Any Class A Performance Right not vested before the Expiry Date shall automatically lapse on the Expiry Date and the holder shall have no entitlement to Shares pursuant to those Class A Performance Rights.
- (d) The Class A Performance Rights will be issued for nil cash consideration and no consideration will be payable upon the vesting of the Class A Performance Rights on the satisfaction of the Vesting Conditions.
- (e) Immediately following the Expiry Date the Company shall notify the holder of that proportion of Class A Performance Rights that have vest and shall, unless otherwise directed by the holder, allot the associated number of Shares within 10 Business Days of the Expiry Date.
- (f) The Company will not apply for quotation of the Class A Performance Rights on ASX. However, subject to the Company being listed on the ASX, the Company will apply for quotation of all Shares allotted pursuant to the vesting of Class A Performance Rights on ASX within 10 Business Days after the date of allotment of those Shares.
- (g) All Shares allotted upon the vesting of Class A Performance Rights will upon allotment rank pari passu in all respects with other Shares.
- (h) The unvested Class A Performance Rights vest upon the happening of any of the following events:
  - (i) if a takeover bid is made, the takeover bid is declared unconditional and the bidder has acquired a relevant interest in more than 50% of the Company's shares; or
  - (ii) on the date of despatch of a notice of meeting to consider a scheme of arrangement between the Company and its creditors or members or any class thereof pursuant to section 411 of the Corporations Act seeking approval for a proposed compromise or arrangement for the purposes of or in connection with a scheme for the reconstruction of the Company or its amalgamation with any other company or companies; or

- (iii) on the date upon which a person or a group of associated persons becomes entitled, subsequent to the date of grant of the Class A Performance Rights, to sufficient Shares to give it or them the ability, in general meeting, to replace all or allow a majority of the Board in circumstances where such ability was not already held by a person associated with such person or group of associated persons.
- (i) In addition to (a) to (h) above, all terms and conditions set out in the PRP apply to the Class A Performance Rights. For further details of these terms, please see Schedule 2 of this Notice.

### **Class B Performance Rights**

The Class B Performance Rights entitle the holder to Shares on the following terms and conditions:

- (a) Subject to the satisfaction of the vesting condition set out in paragraph (b) below, each Class B Performance Right vests to one Share.
- (b) The Class B Performance Rights shall vest and convert to Shares as follows:
  - (i) the market capitalisation of the Company is required to be equal to or above \$45,000,000 for thirty (30) consecutive trading days; and
  - (ii) the Performance Rights will not be capable of conversion into fully paid ordinary shares prior to the Class B Performance Rights Vesting Date of 31 March 2013,prior to the Expiry Date (as defined below) ((b)(i) and (ii) together, the **Vesting Conditions** and each a **Vesting Condition**).
- (c) The Class B Performance Rights shall expire at 5.00 pm (WST) on 30 June 2016 (**Expiry Date**). Any Class B Performance Right not vested before the Expiry Date shall automatically lapse on the Expiry Date and the holder shall have no entitlement to Shares pursuant to those Class B Performance Rights.
- (d) The Class B Performance Rights will be issued for nil cash consideration and no consideration will be payable upon the vesting of the Class B Performance Rights on the satisfaction of the Vesting Conditions.
- (e) Immediately following the Expiry Date the Company shall notify the holder of that proportion of Class B Performance Rights that have vest and shall, unless otherwise directed by the holder, allot the associated number of Shares within 10 Business Days of the Expiry Date.
- (f) The Company will not apply for quotation of the Class B Performance Rights on ASX. However, subject to the Company being listed on the ASX, the Company will apply for quotation of all Shares allotted pursuant to the vesting of Class B Performance Rights on ASX within 10 Business Days after the date of allotment of those Shares.
- (g) All Shares allotted upon the vesting of Class B Performance Rights will upon allotment rank pari passu in all respects with other Shares.
- (h) The unvested Class B Performance Rights vest upon the happening of any of the following events:
  - (i) if a takeover bid is made, the takeover bid is declared unconditional and the bidder has acquired a relevant interest in more than 50% of the Company's shares; or

- (ii) on the date of despatch of a notice of meeting to consider a scheme of arrangement between the Company and its creditors or members or any class thereof pursuant to section 411 of the Corporations Act seeking approval for a proposed compromise or arrangement for the purposes of or in connection with a scheme for the reconstruction of the Company or its amalgamation with any other company or companies; or
  - (iii) on the date upon which a person or a group of associated persons becomes entitled, subsequent to the date of grant of the Class B Performance Rights, to sufficient Shares to give it or them the ability, in general meeting, to replace all or allow a majority of the Board in circumstances where such ability was not already held by a person associated with such person or group of associated persons.
- (i) In addition to (a) to (h) above, all terms and conditions set out in the PRP apply to the Class B Performance Rights. For further details of these terms, please see Schedule 2 of this Notice.

### **Class C Performance Rights**

The Class C Performance Rights entitle the holder to Shares on the following terms and conditions:

- (a) Subject to the satisfaction of the vesting condition set out in paragraph (b) below, each Class C Performance Right vests to one Share.
- (b) The Class C Performance Rights shall vest and convert to Shares as follows:
  - (i) the market capitalisation of the Company is required to be equal to or above \$65,000,000 for thirty (30) consecutive trading days; and
  - (ii) the Performance Rights will not be capable of conversion into fully paid ordinary shares prior to the Class C Performance Rights Vesting Date of 30 June 2013,

prior to the Expiry Date (as defined below) ((b)(i) and (ii) together, the **Vesting Conditions** and each a **Vesting Condition**).
- (c) The Class C Performance Rights shall expire at 5.00 pm (WST) on 30 June 2016 (**Expiry Date**). Any Class C Performance Right not vested before the Expiry Date shall automatically lapse on the Expiry Date and the holder shall have no entitlement to Shares pursuant to those Class C Performance Rights.
- (d) The Class C Performance Rights will be issued for nil cash consideration and no consideration will be payable upon the vesting of the Class C Performance Rights on the satisfaction of the Vesting Conditions.
- (e) Immediately following the Expiry Date the Company shall notify the holder of that proportion of Class C Performance Rights that have vest and shall, unless otherwise directed by the holder, allot the associated number of Shares within 10 Business Days of the Expiry Date.
- (f) The Company will not apply for quotation of the Class C Performance Rights on ASX. However, subject to the Company being listed on the ASX, the Company will apply for quotation of all Shares allotted pursuant to the vesting of Class C Performance Rights on ASX within 10 Business Days after the date of allotment of those Shares.

- (g) All Shares allotted upon the vesting of Class C Performance Rights will upon allotment rank pari passu in all respects with other Shares.
- (h) The unvested Class C Performance Rights vest upon the happening of any of the following events:
  - (i) if a takeover bid is made, the takeover bid is declared unconditional and the bidder has acquired a relevant interest in more than 50% of the Company's shares; or
  - (ii) on the date of despatch of a notice of meeting to consider a scheme of arrangement between the Company and its creditors or members or any class thereof pursuant to section 411 of the Corporations Act seeking approval for a proposed compromise or arrangement for the purposes of or in connection with a scheme for the reconstruction of the Company or its amalgamation with any other company or companies; or
  - (iii) on the date upon which a person or a group of associated persons becomes entitled, subsequent to the date of grant of the Class C Performance Rights, to sufficient Shares to give it or them the ability, in general meeting, to replace all or allow a majority of the Board in circumstances where such ability was not already held by a person associated with such person or group of associated persons.
- (i) In addition to (a) to (h) above, all terms and conditions set out in the PRP apply to the Class C Performance Rights. For further details of these terms, please see Schedule 2 of this Notice.

#### **Class D Performance Rights**

The Class D Performance Rights entitle the holder to Shares on the following terms and conditions:

- (a) Subject to the satisfaction of the vesting condition set out in paragraph (b) below, each Class D Performance Right vests to one Share.
- (b) The Class D Performance Rights shall vest and convert to Shares as follows:
  - (i) the market capitalisation of the Company is required to be equal to or above \$100,000,000 for thirty (30) consecutive trading days; and
  - (ii) the Performance Rights will not be capable of conversion into fully paid ordinary shares prior to the Class C Performance Rights Vesting Date of 31 December 2013,

prior to the Expiry Date (as defined below) ((b)(i) and (ii) together, the **Vesting Conditions** and each a **Vesting Condition**).
- (c) The Class D Performance Rights shall expire at 5.00 pm (WST) on 30 June 2016 (**Expiry Date**). Any Class D Performance Right not vested before the Expiry Date shall automatically lapse on the Expiry Date and the holder shall have no entitlement to Shares pursuant to those Class D Performance Rights.
- (d) The Class D Performance Rights will be issued for nil cash consideration and no consideration will be payable upon the vesting of the Class D Performance Rights on the satisfaction of the Vesting Conditions.



- (e) Immediately following the Expiry Date the Company shall notify the holder of that proportion of Class D Performance Rights that have vest and shall, unless otherwise directed by the holder, allot the associated number of Shares within 10 Business Days of the Expiry Date.
- (f) The Company will not apply for quotation of the Class D Performance Rights on ASX. However, subject to the Company being listed on the ASX, the Company will apply for quotation of all Shares allotted pursuant to the vesting of Class D Performance Rights on ASX within 10 Business Days after the date of allotment of those Shares.
- (g) All Shares allotted upon the vesting of Class D Performance Rights will upon allotment rank pari passu in all respects with other Shares.
- (h) The unvested Class D Performance Rights vest upon the happening of any of the following events:
  - (i) if a takeover bid is made, the takeover bid is declared unconditional and the bidder has acquired a relevant interest in more than 50% of the Company's shares; or
  - (ii) on the date of despatch of a notice of meeting to consider a scheme of arrangement between the Company and its creditors or members or any class thereof pursuant to section 411 of the Corporations Act seeking approval for a proposed compromise or arrangement for the purposes of or in connection with a scheme for the reconstruction of the Company or its amalgamation with any other company or companies; or
  - (iii) on the date upon which a person or a group of associated persons becomes entitled, subsequent to the date of grant of the Class D Performance Rights, to sufficient Shares to give it or them the ability, in general meeting, to replace all or allow a majority of the Board in circumstances where such ability was not already held by a person associated with such person or group of associated persons.
- (i) In addition to (a) to (h) above, all terms and conditions set out in the PRP apply to the Class D Performance Rights. For further details of these terms, please see Schedule 2 of this Notice.

### **Class E Performance Rights**

The Class E Performance Rights entitle the holder to Shares on the following terms and conditions:

- (a) Subject to the satisfaction of the vesting condition set out in paragraph (b) below, each Class E Performance Right vests to one Share.
- (b) The Class E Performance Rights shall vest and convert to Shares as follows:
  - (i) the market capitalisation of the Company is required to be equal to or above \$200,000,000 for thirty (30) consecutive trading days; and
  - (ii) the Performance Rights will not be capable of conversion into fully paid ordinary shares prior to the Class C Performance Rights Vesting Date of 31 March 2014,

prior to the Expiry Date (as defined below) ((b)(i) and (ii) together, the **Vesting Conditions** and each a **Vesting Condition**).

- (c) The Class E Performance Rights shall expire at 5.00 pm (WST) on 30 June 2016 (**Expiry Date**). Any Class E Performance Right not vested before the Expiry Date shall automatically lapse on the Expiry Date and the holder shall have no entitlement to Shares pursuant to those Class E Performance Rights.
- (d) The Class E Performance Rights will be issued for nil cash consideration and no consideration will be payable upon the vesting of the Class E Performance Rights on the satisfaction of the Vesting Conditions.
- (e) Immediately following the Expiry Date the Company shall notify the holder of that proportion of Class E Performance Rights that have vest and shall, unless otherwise directed by the holder, allot the associated number of Shares within 10 Business Days of the Expiry Date.
- (f) The Company will not apply for quotation of the Class E Performance Rights on ASX. However, subject to the Company being listed on the ASX, the Company will apply for quotation of all Shares allotted pursuant to the vesting of Class E Performance Rights on ASX within 10 Business Days after the date of allotment of those Shares.
- (g) All Shares allotted upon the vesting of Class E Performance Rights will upon allotment rank pari passu in all respects with other Shares.
- (h) The unvested Class E Performance Rights vest upon the happening of any of the following events:
  - (i) if a takeover bid is made, the takeover bid is declared unconditional and the bidder has acquired a relevant interest in more than 50% of the Company's shares; or
  - (ii) on the date of despatch of a notice of meeting to consider a scheme of arrangement between the Company and its creditors or members or any class thereof pursuant to section 411 of the Corporations Act seeking approval for a proposed compromise or arrangement for the purposes of or in connection with a scheme for the reconstruction of the Company or its amalgamation with any other company or companies; or
  - (iii) on the date upon which a person or a group of associated persons becomes entitled, subsequent to the date of grant of the Class E Performance Rights, to sufficient Shares to give it or them the ability, in general meeting, to replace all or allow a majority of the Board in circumstances where such ability was not already held by a person associated with such person or group of associated persons.
- (i) In addition to (a) to (h) above, all terms and conditions set out in the PRP apply to the Class E Performance Rights. For further details of these terms, please see Schedule 2 of this Notice.

### **Class F Performance Rights**

The Class F Performance Rights entitle the holder to Shares on the following terms and conditions:

- (a) Subject to the satisfaction of the vesting condition set out in paragraph (b) below, each Class F Performance Right vests to one Share.
- (b) The Class F Performance Rights shall vest and convert to Shares as follows:

- (i) the market capitalisation of the Company is required to be equal to or above \$500,000,000 for thirty (30) consecutive trading days; and
- (ii) the Performance Rights will not be capable of conversion into fully paid ordinary shares prior to the Class C Performance Rights Vesting Date of 30 June 2014,

prior to the Expiry Date (as defined below) ((b)(i) and (ii) together, the **Vesting Conditions** and each a **Vesting Condition**).

- (c) The Class F Performance Rights shall expire at 5.00 pm (WST) on 30 June 2016 (**Expiry Date**). Any Class F Performance Right not vested before the Expiry Date shall automatically lapse on the Expiry Date and the holder shall have no entitlement to Shares pursuant to those Class F Performance Rights.
- (d) The Class F Performance Rights will be issued for nil cash consideration and no consideration will be payable upon the vesting of the Class F Performance Rights on the satisfaction of the Vesting Conditions.
- (e) Immediately following the Expiry Date the Company shall notify the holder of that proportion of Class F Performance Rights that have vest and shall, unless otherwise directed by the holder, allot the associated number of Shares within 10 Business Days of the Expiry Date.
- (f) The Company will not apply for quotation of the Class F Performance Rights on ASX. However, subject to the Company being listed on the ASX, the Company will apply for quotation of all Shares allotted pursuant to the vesting of Class F Performance Rights on ASX within 10 Business Days after the date of allotment of those Shares.
- (g) All Shares allotted upon the vesting of Class F Performance Rights will upon allotment rank pari passu in all respects with other Shares.
- (h) The unvested Class F Performance Rights vest upon the happening of any of the following events:
  - (i) if a takeover bid is made, the takeover bid is declared unconditional and the bidder has acquired a relevant interest in more than 50% of the Company's shares; or
  - (ii) on the date of despatch of a notice of meeting to consider a scheme of arrangement between the Company and its creditors or members or any class thereof pursuant to section 411 of the Corporations Act seeking approval for a proposed compromise or arrangement for the purposes of or in connection with a scheme for the reconstruction of the Company or its amalgamation with any other company or companies; or
  - (iii) on the date upon which a person or a group of associated persons becomes entitled, subsequent to the date of grant of the Class F Performance Rights, to sufficient Shares to give it or them the ability, in general meeting, to replace all or allow a majority of the Board in circumstances where such ability was not already held by a person associated with such person or group of associated persons.
- (i) In addition to (a) to (h) above, all terms and conditions set out in the PRP apply to the Class F Performance Rights. For further details of these terms, please see Schedule 2 of this Notice.

### SCHEDULE 3 – VALUATION OF PERFORMANCE RIGHTS

The Performance Rights to be issued to Mr Jeffrey Mitchell pursuant to Resolution 8.

Using a hybrid employee share option pricing model that simulates the share price of Quest as at the test date (expiry) using a Monte-Carlo model and based on the assumptions set out below, the Performance Rights were ascribed a value range, as follows:

A breakdown of the maximum number and value of the Performance Rights is summarised below:

Performance Rights Class	Maximum number of Performance Rights	Market Capitalisation Hurdle (\$)	Valuation per Performance Right	Total Value of Performance Rights (\$)
Class A Performance Rights	5,000,000	25,000,000	0.0006	\$3,000
Class B Performance Rights	5,000,000	45,000,000	0.0005	\$2,500
Class C Performance Rights	5,000,000	65,000,000	0.0004	\$2,000
Class D Performance Rights	5,000,000	100,000,000	0.0003	\$1,500
Class E Performance Rights	10,000,000	200,000,000	0.0002	\$2,000
Class F Performance Rights	10,000,000	500,000,000	0.0001	\$1,000
Total Value (\$)				\$12,000

#### Assumptions:

1. Performance Rights are on a pre-Consolidation basis.
2. For those Performance Rights that pass the performance test (barrier), the share price at the test date is used to calculate the Performance Rights price for the remainder of the time to expiry. The Performance Rights price is discounted back to the present at the risk free rate. For the Performance Rights that do not pass the performance test a zero value is recorded. This process is repeated for over 50,000 iterations. The average Performance Right value for these iterations where the Company satisfies the performance test represents the implied Performance Right value. Note that the valuation of the underlying shares at the date of the valuation report was \$0.001 so a valuation report based on the current underlying share price would return a significantly lower valuation.
3. The Australian Government 3 year bond rate of 3.04% as at the date of the valuation report was used in the pricing model.
4. The recent volatility of the share price of Quest was calculated by Hoadley's volatility calculator for 1, 2 and 3 year periods, using data extracted from Bloomberg. For the purpose of the valuation, a future estimated volatility level of 130% was used.

**Note:** The valuation ranges noted above are not necessarily the market prices that the Performance Rights could be traded at and they are not automatically the market prices for taxation purposes.

**SCHEDULE 4 – ISSUES OF EQUITY SECURITIES SINCE  
21 NOVEMBER 2013**

Date	Quantity	Class	Recipients	Issue price and discount to Market Price (if applicable) <sup>1</sup>	Form of consideration/ use of funds
8 May 2014	25,209,293	Shares <sup>2</sup>	Employees of the Company.	Non-cash consideration (deemed issue price of \$0.002, being 0 % discount to Market Price)	<u>Consideration</u> Satisfaction of cash remuneration owing to employees. <u>Current Value</u> \$25,209.29 <sup>3</sup>
8 May 2014	31,400,000	Shares <sup>2</sup>	Consultants to the Company.	Non-cash consideration (deemed issue price of \$0.002, being a 0% discount to Market Price)	<u>Consideration</u> Satisfaction of cash remuneration owing to consultants. <u>Current Value</u> \$31,400.00 <sup>3</sup>
21 May 2014	50,000,000	Shares <sup>2</sup>	Vendors of Cady Energy Pty Ltd	Non-cash consideration (deemed issue price of \$0.002, being a 0% discount to Market Price)	<u>Consideration</u> Acquisition of a company which held \$100,000 cash. <u>Current Value</u> \$50,000.00 <sup>3</sup>
21 May 2014	7,847,595	Shares <sup>2</sup>	Consultants to the Company.	Non-cash consideration (deemed issue price of \$0.002, being an 0% discount to Market Price)	<u>Consideration</u> Satisfaction of cash remuneration owing to consultants. <u>Current Value</u> \$31,400.00 <sup>3</sup>
10 September 2014	69,235,908	Shares <sup>2</sup>	Employees of the Company.	Non-cash consideration (deemed issue price of \$0.00119, being a 11.9% premium to Market Price)	<u>Consideration</u> Satisfaction of cash remuneration owing to employees. <u>Current Value</u> \$69,235.91 <sup>3</sup>
10 September 2014	14,266,667	Shares <sup>2</sup>	Consultants to the Company.	Non-cash consideration (deemed issue price of	<u>Consideration</u> Satisfaction of cash remuneration

				\$0.003, being a 300% premium to Market Price)	owing to consultants. <u>Current Value</u> \$14,266.67 <sup>3</sup>
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**Notes:**

1. Market Price means the closing price on ASX (excluding special crossings, overnight sales and exchange traded option exercises). For the purposes of this table the discount is calculated on the Market Price on the last trading day on which a sale was recorded prior to the date of issue of the relevant Equity Securities.
2. Fully paid ordinary shares in the capital of the Company, ASX Code: QPN (terms are set out in the Constitution).
3. In respect of quoted Equity Securities the value is based on the closing price of the Shares (\$0.001) on the ASX on the 6 October 2014.

## Lodge your vote:



### By Mail:

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

Alternatively you can fax your form to  
(within Australia) 1800 783 447  
(outside Australia) +61 3 9473 2555

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

### For all enquiries call:

(within Australia) 1300 762 972  
(outside Australia) +61 3 9415 4375

└ 000001 000 QPN  
MR SAM SAMPLE  
FLAT 123  
123 SAMPLE STREET  
THE SAMPLE HILL  
SAMPLE ESTATE  
SAMPLEVILLE VIC 3030

## Proxy Form

For your vote to be effective it must be received by 11.00am (WST) Wednesday, 26 November 2014

### 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

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

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

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

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

### Attending the Meeting

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

**Comments & Questions:** If you have any comments or questions for the company, please write them on a separate sheet of paper and return with this form.

**Turn over to complete the form** ➔



View the annual report, 24 hours a day, 7 days a week:

**[www.qpnl.com.au](http://www.qpnl.com.au)**

View or update your securityholding:

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

#### Your secure access information is:

**SRN/HIN: I9999999999**



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

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



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



I 9999999999

I ND

## Proxy Form

Please mark ☒ to indicate your directions

### STEP 1

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

XX

I/We being a member/s of Quest Petroleum NL 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 Quest Petroleum NL to be held at Subiaco Arts Centre, 180 Hamersley Road, Subiaco, Western Australia on Friday, 28 November 2014 at 11.00am (WST) and at any adjournment or postponement of that Meeting.

**Chairman authorised to exercise undirected proxies on remuneration related resolutions:** Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on Resolutions 1 and 4-8 (except where I/we have indicated a different voting intention below) even though Resolutions 1 and 4-8 are connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chairman.

**Important Note:** If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on Resolutions 1 and 4-8 by marking the appropriate box in step 2 below.

### STEP 2

#### Items of Business

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

		For	Against	Abstain			For	Against	Abstain
Resolution 1	Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Resolution 7	Issue of Shares to Mr Anthony Milewski in lieu of Director's Fees Under Salary Sacrifice Program	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Re-election of Mr Gregory Lee as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Resolution 8	Issue of Performance Rights to Mr Jeffrey Mitchell	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Approval of 10% Placement Capacity - Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Resolution 9	Share Placement Facility	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Ratification of Prior Issue - Salary Sacrifice Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Resolution 10	Consolidation of Capital	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5	Issue of Shares to Mr Gregory Lee in lieu of Director's Fees Under Salary Sacrifice Program	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Resolution 11	Change of Company Name	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6	Issue of Shares to Mr Jeffrey Mitchell in lieu of Director's Fees Under Salary Sacrifice Program	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>					

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

### SIGN

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

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

Contact  
Name

\_\_\_\_\_

Contact  
Daytime  
Telephone

\_\_\_\_\_ / \_\_\_\_\_ / \_\_\_\_\_


Date

QPN

1 9 1 3 4 6 A

Computershare





└ 000002 000 QPNRM  
MR RETURN SAMPLE  
123 SAMPLE STREET  
SAMPLE SUBURB  
SAMPLETOWN VIC 3030

Dear Securityholder,

We have been trying to contact you in connection with your securityholding in Quest Petroleum NL. Unfortunately, our correspondence has been returned to us marked "Unknown at the current address". For security reasons we have flagged this against your securityholding which will exclude you from future mailings, other than notices of meeting.

Please note if you have previously elected to receive a hard copy Annual Report (including the financial report, directors' report and auditor's report) the dispatch of that report to you has been suspended but will be resumed on receipt of instructions from you to do so.

We value you as a securityholder and request that you supply your current address so that we can keep you informed about our Company. Where the correspondence has been returned to us in error we request that you advise us of this so that we may correct our records.

You are requested to include the following;

- > Securityholder Reference Number (SRN);
- > ASX trading code;
- > Name of company in which security is held;
- > Old address; and
- > New address.

Please ensure that the notification is signed by all holders and forwarded to our Share Registry at:

Computershare Investor Services Pty Limited  
GPO Box 2975  
Melbourne Victoria 3001  
Australia

Note: If your holding is sponsored within the CHESS environment you need to advise your sponsoring participant (in most cases this would be your broker) of your change of address so that your records with CHESS are also updated.

Yours sincerely

**Jonathan Whyte**  
Company Secretary