
NEW STANDARD ENERGY LIMITED
ACN 119 323 385
NOTICE OF ANNUAL GENERAL MEETING

Notice is given that the Meeting will be held at:

TIME: 11.30am (Perth time)
DATE: Monday, 30 November 2020
PLACE: Virtual (see below)

In light of circumstances relating to the COVID-19 pandemic, the AGM will be held virtually by way of online meeting. To follow the government rules regarding the interest of public health, Shareholders will not be able to physically attend the AGM.

To facilitate an orderly and secure Meeting, Shareholders must register their attendance with the Company by 4pm (Perth time) on 26 November 2020 by emailing the Company at info@newstandard.com.au and including your Holder Name, Address, and HIN or SRN.

The Company will then provide you via return email with the access details to participate in the online Meeting.

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

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.

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered Shareholders at 11:30am (Perth time) on 28 November 2020.

BUSINESS OF THE MEETING

AGENDA

1. FINANCIAL STATEMENTS AND REPORTS

To receive and consider the annual financial report of the Company for the financial year ended 30 June 2020 together with the declaration of the Directors, the Director's report, the Remuneration Report and the auditor's report.

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 resolution**:

"That, for the purposes 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 2020."

Note: the vote on this Resolution 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 either of the following persons:

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

However, a person (the **voter**) described above may cast a vote on this Resolution as a proxy if the vote is not cast on behalf of a person described above and either:

- (a) the voter is appointed as a proxy by writing that specifies the way the proxy is to vote on this Resolution; or
- (b) the voter is the Chair and the appointment of the Chair as proxy:
 - (i) does not specify the way the proxy is to vote on this Resolution; and
 - (ii) expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

3. RESOLUTION 2 – RE-ELECTION OF DIRECTOR – MS XIAONING LIN

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

"That, for the purpose of clause 13.2 of the Constitution, ASX Listing Rule 14.4 and for all other purposes, Xiaoning Lin, a Director, retires by rotation, and being eligible, is re-elected as a Director."

4. RESOLUTION 3 – RE-ELECTION OF DIRECTOR – MR PENG ZHANG

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

"That, for the purpose of clause 13.2 of the Constitution, ASX Listing Rule 14.4 and for all other purposes, Peng Zhang, a Director, retires by rotation, and being eligible, is re-elected as a Director."

5. RESOLUTION 4 – RATIFICATION OF PRIOR ISSUE OF SHARES ISSUED IN DECEMBER 2019

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

"That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 66,666,667 Shares on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of a person who participated in the issue or 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.

6. **RESOLUTION 5 – APPROVAL OF 10% PLACEMENT CAPACITY**

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

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

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of a person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person (or 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.

7. **RESOLUTION 6 – PLACEMENT OF UP TO \$2 MILLION**

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

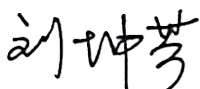
“That, for the purposes of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue up to that number of Shares, when multiplied by the issue price, will raise up to \$2,000,000 on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of a person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person (or 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.

Dated:

30 October 2020

By order of the Board,



Kunfang Liu
Non-Executive Chairman

IMPORTANT INFORMATION

Voting by proxy

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

In accordance with section 249L of the Corporations Act, 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 two (2) or more votes may appoint two (2) proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the member appoints two (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:

- 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.

To be effective, proxies must be received by 11:30am (Perth time) Saturday 28 November 2020. Proxies lodged after this time will be invalid.

Voting by poll

On 22 September 2020, temporary modifications to the Corporations Act under the Corporations (Coronavirus Economic Response) Determination (No.3) 2020 (Determination) took effect.

These modifications facilitate the holding of meetings (including AGM) via virtual technology. Among other things, the Determination provides that a vote taken at a meeting must be taken on a poll by using one or more technologies to give each person entitled to vote the opportunity to participate in the vote and, where practicable, by recording their vote in advance of the meeting:

All resolutions at the Meeting will be voted on by poll and Shareholders who are entitled to vote may vote either prior to the Meeting by appointing a proxy or by poll during the Meeting (such poll to be taken electronically).

Shareholders who wish to vote by poll during the virtual Meeting must first notify the Company of their intention by emailing info@newstandard.com.au by no later than 4pm (Perth time) on 26 November 2020 and provide their registered shareholding details and the Company will verify their shareholding.

Your vote is important

Shareholders are strongly encouraged to either vote prior to the Meeting or to appoint the Chair of the Meeting as their proxy.

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company on +61 8 9227 9280 or emailing info@newstandard.com.au.

GL O S S A R Y

\$ means Australian dollars.

10% Placement Capacity has the meaning given in Section 7.1.

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

ASIC means the Australian Securities & Investments Commission.

ASX means ASX Limited (ACN 008 624 691) or the financial market operated by ASX Limited, as the context requires.

ASX Listing Rules means the Listing Rules of ASX.

Board means the current board of directors of the Company.

Business Day means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day, and any other day that ASX declares is not a business day.

Chair means the chair of the Meeting.

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

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

Company means New Standard Energy Limited (ACN 119 323 385).

Constitution means the Company's constitution.

Corporations Act means the *Corporations Act 2001* (Cth). **Directors** means the current directors of the Company.

Eligible Entity means an entity that, at the date of the relevant general meeting:

- (a) is not included in the S&P/ASX 300 Index; and

- (b) has a maximum market capitalisation (excluding restricted securities and securities quoted on a deferred settlement basis) of \$300,000,000.

Equity Securities includes a Share, a right to a Share or Option, an Option, a convertible security and any security that ASX decides to classify as an Equity Security.

Explanatory Statement means the explanatory statement accompanying the Notice.

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 Meeting means this notice of meeting including the Explanatory Statement and the Proxy Form.

Option means an option to acquire a Share.

Optionholder means a holder of an Option.

Proxy Form means the proxy form accompanying the Notice.

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 30 June 2020.

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

Section means a section of the Explanatory Statement.

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

Shareholder means a registered holder of a Share.

Variable A means "A" as set out in the formula in ASX Listing Rule 7.1A(2).

WST means Western Standard Time as observed in Perth, Western Australia.

EXPLANATORY STATEMENT

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

1. FINANCIAL STATEMENTS AND REPORTS

In accordance with the Constitution, the business of the Meeting will include receipt and consideration of the annual financial report of the Company for the financial year ended 30 June 2020 together with the declaration of the Directors, the Directors' report, the Remuneration Report and the auditor's report.

The Company will not provide a hard copy of the Company's annual financial report to Shareholders unless specifically requested to do so. The Company's annual financial report is available on its website at www.newstandard.com.au.

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

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.

3. RESOLUTION 2 – RE-ELECTION OF DIRECTOR – MS XIAONING LIN

3.1 General

ASX Listing Rule 14.4 and clause 13.2 of the Constitution provide that, other than a managing director, a director of an entity must not hold office (without re-election) past the third AGM following the director's appointment or 3 years, whichever is the longer. However, where there is more than one managing director, only one is entitled to be exempt from this rotation requirement.

Xiaoning Lin, who has served as a Director since 22 March 2019, retires by rotation and seeks re-election.

3.2 Qualifications and other material directorships

Ms Xiaoning Lin is the Managing Director of Goldfields Oil and Gas Pty Ltd. She is also an independent management consultant who specialises in the professional services sector, with over 15 years' experience. After qualifying in Accounting and Finance, she worked for Asia Pacific Certified Public Account Group and gained extensive knowledge and experience in the finance sector. She established her own business, Shenzhen Huai Ri Real Estate Agent and Evaluation Company. Ms Lin completed her Master in Finance in Australia and worked as a consultant, specialising in exploring for opportunities between Australia and China.

Ms Lin was a director of Ocean Sincere and Australia Trailcraft Boats, built up the Ocean Master and Australia Trailcraft Boats brand in China, setup the production line to reduce the building cost and promote the brand internationally.

3.3 Independence

Ms Lin has no interests, position, association or relationship that might influence, or reasonably be perceived to influence, in a material respect her capacity to bring an independent judgement to bear on issues before the Board and to act in the best interest of the Company and its security holders generally.

If re-elected the Board considers Ms Lin will be an independent director.

3.4 Board recommendation

The Board supports the re-election of Xiaoning Lin and recommends that Shareholders vote in favour of Resolution 2.

4. RESOLUTION 3 – RE-ELECTION OF DIRECTOR – MR PENG ZHANG

4.1 General

ASX Listing Rule 14.4 and clause 13.2 of the Constitution provide that, other than a managing director, a director of an entity must not hold office (without re-election) past the third AGM following the director's appointment or 3 years, whichever is the longer. However, where there is more than one managing director, only one is entitled to be exempt from this rotation requirement.

Peng Zhang, who was appointed a Director on 21 December 2017 and re-elected at the general meeting on 15 November 2019, retires by rotation and seeks re-election.

4.2 Qualifications and other material directorships

Mr Zhang holds an America Institute of Certified Public Accountants (AICPA) license, and holds an Accounting Master Degree from the University of Texas, Dallas in the United States. Mr Zhang has held multiple management positions and is experienced in auditing and consulting for both private and publicly listed companies in Mainland China, Hong Kong, America and Australia. He has more than 5 years finance and consulting experience including working for Ernst and Young and BDO.

4.3 Independence

Mr Zhang has no interests, position, association or relationship that might influence, or reasonably be perceived to influence, in a material respect his capacity to bring an independent judgement to bear on issues before the Board and to act in the best interest of the Company and its security holders generally.

If re-elected the Board considers Mr Zhang will be an independent director.

4.4 Board recommendation

The Board supports the re-election of Peng Zhang and recommends that Shareholders vote in favour of Resolution 3.

5. RESOLUTION 4 – RATIFICATION OF PRIOR ISSUE – PLACEMENT SHARES ISSUED IN DECEMBER 2019

5.1 General

On 9 December 2019, the Company issued 66,666,667 Shares at an issue price of \$0.006 per Share to raise \$400,000 ("Placement Shares").

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

ASX Listing Rule 7.1, subject to a number of exceptions, limits the amount of Equity Securities that the Company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary securities it had on issue at the start of that period.

ASX Listing Rule 7.4 sets out an exception to ASX Listing Rule 7.1. It provides that where a company in 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 been 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. If Shareholder approval is not received for the Resolution, then the Placement Shares, which have already been issued, will continue to utilize a proportion of the Company's placement capacity under ASX Listing Rule 7.1, which will limit the number of Equity Securities able to be issued in the 12 months following the issue of the Placement Shares.

Resolution 4 is an ordinary resolution, requiring it to be passed by a simple majority of votes cast by the Shareholders entitled to vote on it.

5.2 Technical information required for Resolution 4

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

- (i) 66,666,667 Shares were issued;
- (ii) the Placement Shares were issued on 9 December 2019;
- (iii) the issue price was \$0.006 per Share;
- (iv) the Shares issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (v) the Shares were issued to Mr Xiangqian Zhang, a sophisticated investor, who was qualified under Section 708 of the Corporations Act. The subscriber is not a related party of the Company; and
- (vi) the funds raised from this issue were used to meet ongoing DMIRS obligations relating to the Company's existing projects and also funding the Company's ongoing assessment of new oil and gas project interests that may be beneficial to Shareholders, and to pay working capital. Although the Company assessed various opportunities, no decision to acquire new project interests has been finalised as at the date of this Notice.

5.3 Board recommendation

The Board recommends that Shareholders vote in favour of Resolution 4.

6. RESOLUTION 5 – APPROVAL OF 10% PLACEMENT CAPACITY

6.1 General

ASX Listing Rule 7.1, subject to a number of exceptions, limits the amount of Equity Securities that the Company can issue without the approval of its shareholder over any 12 month period to 15% of the fully paid ordinary securities it had on issue at the start of that period.

ASX Listing Rule 7.1A provides that an Eligible Entity (as defined below) may seek shareholder approval by a special resolution passed at an annual general meeting ("the Meeting") to have the capacity to issue up to that number of Equity Securities equal to 10% of its issued capital (**10% Placement Capacity**) to increase this limit by an extra 10% to 25%..

The effect of Resolution 5, if passed, will be to allow the Company to issue Equity Securities up to the combined 25% limit in Listing Rules 7.1 and 7.1A without any further shareholder approval. If Resolution 5 is not passed, then the Company will not be able to issue any Equity Securities using the 10% Placement Capacity under ASX Listing Rule 7.1A and will only have the 15% placement capacity available under ASX Listing Rule 7.1.

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.

As at the date of this Notice, 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 \$3.6 million (based on the number of Shares on issue and the closing price of Shares on the ASX on 9 October 2019 (the last trading date before NSE went into suspension).

An Equity Security is a share, a unit in a trust, a right to a share or unit in a trust or option, an option over an issued or unissued security, a convertible security, or, any security that ASX decides to classify as an equity security.

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

As at the date of this Notice, the Company currently has one class of quoted Equity Securities on issue, being the Shares (ASX Code: NSE).

If Shareholders approve Resolution 5, the number of Equity Securities the Company may issue under the 10% Placement Capacity will be determined in accordance with the formula prescribed in ASX Listing Rule 7.1A.2.

Resolution 5 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 5 for it to be passed.

The exact number of Equity Securities that the Company may issue with an approval under ASX 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:
- 1) Plus the number of shares issued in the previous 12 months under an exception in ASX Listing Rule 7.2 other than exception 9, 16 or 17;
 - 2) Plus the number of shares issued in the previous 12 months on the conversion of convertible securities within ASX Listing Rule 7.2, exception 9, where: (a) the convertible securities were issued or agreed to be issued before the commencement of the previous 12 month period; or
(b) the issue of, or agreement to issue, the convertible securities was approved, or taken under the ASX Listing Rules to have been approved, under ASX Listing Rules 7.1 or 7.4;
 - 3) Plus the number of shares issued in the previous 12 months under an agreement to issue Equity Securities within Listing rule 7.2 exception 16, where: (a) the agreement was entered into before the commencement of the previous 12 month period; or (b) the agreement or issue was approved, or taken under the ASX Listing Rules to have been approved, under ASX Listing Rules 7.1 or 7.4;
 - 4) Plus the number of partly paid shares that became fully paid in the previous 12 months;
 - 5) Plus the number of shares issued in the previous 12 months with approval of Shareholders under Listing Rules 7.1 and 7.4; and
 - 6) Less the number of shares cancelled in the previous 12 months.
- D.** Is 10%
- E.** Is the number of securities issued or agreed to be issued under ASX Listing Rule 7.1A.2 in the 12 months before the date of issue or agreement to issue that are not issued with the approval of Shareholders under ASX Listing Rule 7.1 or 7.4.

6.2 Technical information required by ASX Listing Rule 7.1A

Pursuant to and in accordance with ASX Listing Rule 7.3A, the information below is provided in relation to this Resolution 5:

(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 10 ASX trading days of the date in Section 7.2(a)(i), the date on which the Equity Securities are issued.

(b) Date of Issue

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

- (i) 12 months after the date of this Meeting;
- (ii) the time and date of the Company's annual general meeting in 2021; and
- (iii) the time and date of approval by Shareholders of any transaction under ASX Listing Rules 11.1.2 (a significant change to the nature or scale of the Company's activities) or 11.2 (disposal of the Company's main undertaking) (after which date, an approval under 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 5 is approved by Shareholders and the Company issues the maximum number of Equity Securities available under the 10% Placement Capacity, the economic and voting dilution of existing Shares would be as shown in the table below.

The table below shows the dilution of existing Shareholders calculated in accordance with the formula outlined in ASX Listing Rule 7.1A(2), on the basis of the market price of Shares and the number of Equity Securities on issue as at 20 October 2020.

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.

Shares on Issue able 'A' in ASX Listing Rule 7.1A2)	Dilution			
	Issue Price (per Share)	\$0.002 50% decrease in Issue Price	\$0.004 Issue Price	\$0.006 50% increase in Issue Price
888,748,864 (Current)	Shares issued - 10% voting dilution	88,874,886 Shares	88,874,886 Shares	88,874,886 Shares
	Funds raised	\$177,750	\$355,500	\$533,249
1,333,123,299 (50% increase in Variable A)	Shares issued - 10% voting dilution	133,312,330 Shares	133,312,330 Shares	133,312,330 Shares
	Funds raised	\$266,625	\$533,249	\$799,874
1,777,497,728 (100% increase in Variable A)	Shares issued - 10% voting dilution	177,749,773 Shares	177,749,773 Shares	177,749,773 Shares
	Funds raised	\$355,500	\$710,999	\$1,066,499

*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 888,874,864 Shares on issue.
2. The issue price set out above is the closing price of the Shares on the ASX on 9 October 2019 (the last trading day before NSE went into suspension).
3. The Company issues the maximum possible number of Equity Securities under the 10% Placement Capacity.
4. The Company has not issued any Equity Securities in the 12 months prior to the Meeting that were not issued under an exception in ASX Listing Rule 7.2 or with approval under ASX Listing Rule 7.1.
5. The issue of Equity Securities under the 10% Placement Capacity consists only of Shares. It is assumed that no Options are exercised into Shares before the date of issue of the Equity Securities.
6. 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.
7. This table does not set out any dilution pursuant to approvals under ASX Listing Rule 7.1

unless otherwise disclosed.

8. 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%.
9. The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement Capacity, based on that Shareholder's holding at the date of the Meeting.

Shareholders should note that there is a risk that:

- (i) the market price for the Company's Shares may be significantly lower on the issue date than on the date of the Meeting; and
- (ii) the Shares may be issued at a price that is at a discount to the market price for those Shares on the date of issue.

(d) Purpose of Issue under 10% Placement Capacity

The Company may issue Equity Securities under the 10% Placement Capacity as cash consideration to raise funds for the ongoing identification of new projects for the Company and working capital.

(e) Compliance with ASX Listing Rules 7.1A.4

If the Company issues Equity Securities pursuant to the 10% Placement Capacity, it will give ASX a list of the allottees of the Equity Securities and the number of Equity Securities allotted to each (not release to the market), in accordance with ASX Listing rule 7.1A.4.

(f) Allocation policy under the 10% Placement Capacity

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

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

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

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

(g) Previous approval under ASX Listing Rule 7.1A

The Company previously obtained approval from its Shareholders pursuant to ASX Listing Rule 7.1A at its annual general meeting held on 15 November 2019 (Previous Approval).

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

During the 12 month period preceding the date of the Meeting, the Company otherwise issued a total of 66,666,667 Shares which represents approximately 7.5% of the total diluted number of Equity Securities on issue in the Company on the date that was 12 months before the date of the meeting.

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 1.

6.3 Voting Exclusion

A voting exclusion statement is included in this Notice. As at the date of this Notice, the Company has not invited any existing Shareholder to participate in an issue of Equity Securities under ASX Listing Rule 7.1A. Therefore, no existing Shareholders will be excluded from voting on Resolution 5.

6.4 Board recommendation

The Board recommends that Shareholders vote in favour of Resolution 5.

7. RESOLUTION 6 – PLACEMENT OF UP TO \$2 MILLION

7.1 General

The Company is proposing to issue of up to that number of Shares, when multiplied by the issue price, will raise up to \$2,000,000 (before costs) (**Placement**).

ASX Listing Rule 7.1, subject to a number of exceptions, limits the amount of Equity Securities that the Company can issue without the approval of its shareholder over any 12 month period to 15% of the fully paid ordinary securities it had on issue at the start of that period.

The Placement does not fall within any of these exceptions and exceeds the 15% limit in Listing Rule 7.1. It therefore requires the Company's shareholder approval under Listing rule 7.1.

Resolution 6 seeks the required shareholders approval to the Placement under and for the purposes of Listing Rule 7.1.

If Resolution 6 is passed, the Company will be able to proceed with the Placement and raise up to \$2,000,000 (before costs). In addition, the Placement will be excluded from the calculation of the number of Equity Securities that the Company can issue without shareholders approval under Listing Rule 7.1.

If Resolution 6 is not passed, the Company will not be able to proceed with the Placement and will only have the 15% placement capacity available under ASX Listing Rule 7.1.

7.2 Technical information required by ASX Listing Rule 7.1

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

- (i) the maximum number of Shares to be issued is up to that number of Shares which, when multiplied by the issue price, equals \$2,000,000;
- (ii) the Shares will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules) and it is intended that issue of the Shares will occur progressively;
- (iii) the issue price will be not less than 80% of the volume weighted average price for Shares calculated over the last 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;
- (iv) no recipients of the Shares have yet been identified, however it is expected that the issue will be made to sophisticated or otherwise exempt investors, none of whom will be related parties of the Company. The Directors continue to source possible investors in the Company to support the Placement;
- (v) the Shares issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares; and
- (vi) the Company intends to use the funds raised from the Placement as follows:

Description	Amount (\$)
Project related expenses (<i>rehabilitation of 4 wells, DMIRS work program expenses and business development for new opportunities</i>)	1,000,000
<i>Identification and acquisition of new projects</i>	500,000
<i>Working capital (rent, salary, consultants' fees, ongoing compliance costs)</i>	500,000
TOTAL	2,000,000

7.3 Dilution

The volume weighted average price for Shares on the 5 days on which sales in Shares were recorded before 9 October 2019 (the last trading day before NSE went into suspension) was \$0.004. The lowest issue price (ie maximum discount) of not less than 80% of this volume weighted average price would be \$0.003 per Share. Accordingly, set out below is a worked example of the number of Shares that may be issued under Resolution 6 based on an assumed issue price of \$0.003, \$0.004 and \$0.005.

Assumed issue price	Maximum number of Shares which the Company could issue (rounded up to the nearest whole number) pursuant to Resolution 6	Current Shares on issue as at the date of this Notice	Increase in the number of Shares on issue assuming the Company issued the maximum amount pursuant to Resolution 6	Dilution effect on existing Shareholders
\$0.003	666,666,667	888,748,864	1,555,415,531	75.01%
\$0.004	500,000,000	888,748,864	1,388,748,864	56.26%
\$0.005	400,000,000	888,748,864	1,288,748,864	45.01%

The Company notes that the above workings are an example only and the actual issue price may differ. This will result in the maximum number of Shares to be issued and the dilution percentage to also differ.

SCHEDULE 1 – ISSUES OF EQUITY SECURITIES SINCE 15 NOVEMBER 2019

Date	Quantity	Class	Recipients	Issue price and discount to Market Price (if applicable) ¹	Form of consideration
Issue – 9 December 2019 Appendix 2A – 9 December 2019	66,666,667	Shares ⁴	Mr Xiangqian Zhang	\$0.006 per Share (premium of 20% ²)	<p>Amount raised = \$400,000 Amount spent = \$164,063</p> <p><u>Use of funds</u> Funds used to meet ongoing DMIRS obligations relating to the Company's existing projects, the identification of new project opportunities to add to the Company's portfolio, and working capital</p> <p>Amount remaining = \$235,937</p> <p><u>Proposed use of remaining funds</u>³ Ongoing compliance, working capital and identify new opportunities</p>

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. In respect of quoted Equity Securities the value is based on the closing price of the Shares (\$0.004) on the ASX on 9 October 2019 (the last trading date before NSE went into suspension).
3. This is a statement of current intentions as at the date of this Notice. As with any budget, intervening events and new circumstances have the potential to affect the manner in which the funds are ultimately applied. The Board reserves the right to alter the way the funds are applied on this basis.
4. Means fully paid ordinary Shares on the same terms as existing Shares on issue.



NEW STANDARD
ENERGY

ABN 20 119 323 385

NSE

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



Need assistance?



Phone:

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



Online:

www.investorcentre.com/contact



YOUR VOTE IS IMPORTANT

For your proxy appointment to be effective it must be received by **11:30 AM (AWST) on Saturday, 28 November 2020.**

Proxy Form

How to Vote on Items of Business

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

APPOINTMENT OF PROXY

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

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

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

A proxy need not be a securityholder of the Company.

SIGNING INSTRUCTIONS FOR POSTAL FORMS

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

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

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

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

PARTICIPATING IN THE MEETING

Corporate Representative

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

Lodge your Proxy Form:

XX

Online:

Lodge your vote online at www.investorvote.com.au using your secure access information or use your mobile device to scan the personalised QR code.

Your secure access information is



Control Number: 999999

SRN/HIN: I9999999999

PIN: 99999

For Intermediary Online subscribers (custodians) go to www.intermediaryonline.com

By Mail:

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

By Fax:

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



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

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 New Standard Energy Limited hereby appoint

☐

the Chairman
of the Meeting

OR

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

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the Annual General Meeting of New Standard Energy Limited to be held as a virtual meeting on Monday, 30 November 2020 at 11:30 AM (AWST) and at any adjournment or postponement of that meeting.

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

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

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
1 Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Re-election of Director – Ms Xiaoning Lin	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 Re-election of Director – Mr Peng Zhang	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4 Ratification of Prior Issue of Shares Issued in December 2019	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5 Approval of 10% Placement Capacity	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6 Placement of up to \$2 Million	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

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

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

Individual or Securityholder 1

Sole Director & Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

/ /

Date

Update your communication details (Optional)

Mobile Number

Email Address

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

NSE

270192A



Computershare

