
TALON PETROLEUM LIMITED

ACN 153 229 086

NOTICE OF GENERAL MEETING

Notice is given that the Meeting will be held at:

TIME: 10:00 am (WST)
DATE: 26 March 2021
PLACE: 1202 Hay Street
WEST PERTH WA 6005

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 4:00pm (WST) on 24 March 2021.

BUSINESS OF THE MEETING

AGENDA

1. RESOLUTION 1 – RATIFICATION OF PRIOR ISSUE OF TRANCHE 1 PLACEMENT SHARES – LISTING RULE 7.1

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

“That, for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 652,768,428 Placement Shares on the terms and conditions set out in the Explanatory Statement.”

A voting exclusion statement applies to this Resolution. Please see below.

2. RESOLUTION 2 – RATIFICATION OF PRIOR ISSUE OF TRANCHE 1 PLACEMENT SHARES – LISTING RULE 7.1A

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

“That, for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 347,231,572 Shares on the terms and conditions set out in the Explanatory Statement.”

A voting exclusion statement applies to this Resolution. Please see below.

3. RESOLUTION 3 – APPROVAL TO ISSUE TRANCHE 2 PLACEMENT SHARES – LISTING RULE 7.1

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

“That, for the purposes of Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue up to 250,000,000 Placement Shares on the terms and conditions set out in the Explanatory Statement.”

A voting exclusion statement applies to this Resolution. Please see below.

4. RESOLUTION 4 – APPROVAL TO ISSUE BROKER OPTIONS

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

“That, for the purposes of Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue up to 100,000,000 Broker Options on the terms and conditions set out in the Explanatory Statement.”

A voting exclusion statement applies to this Resolution. Please see below.

5. RESOLUTION 5 – APPROVAL TO ISSUE ADVISOR OPTIONS TO CHIEFTAIN SECURITIES PTY LTD

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

“That, for the purposes of Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue up to 100,000,000 Advisor Options (or their nominee/s) on the terms and conditions set out in the Explanatory Statement.”

A voting exclusion statement applies to this Resolution. Please see below.

6. RESOLUTION 6 – APPROVAL TO ISSUE ADVISOR OPTIONS TO SHENTON JAMES PTY LTD

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

“That, for the purposes of Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue up to 40,000,000 Advisor Options (or their nominee/s) on the terms and conditions set out in the Explanatory Statement.”

A voting exclusion statement applies to this Resolution. Please see below.

7. RESOLUTION 7 – ISSUE OF OPTIONS TO DIRECTOR (MR MATTHEW WORNER)

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

“That, for the purposes of Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue 40,000,000 Options to Mr Matthew Worner (or his nominee/s) on the terms and conditions set out in the Explanatory Statement.”

A voting exclusion statement and voting prohibition statement applies to this Resolution. Please see below.

8. RESOLUTION 8 – ISSUE OF OPTIONS TO DIRECTOR (MR DOUGLAS JENDRY)

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

“That, for the purposes of Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue 20,000,000 Options to Mr Douglas Jendry (or his nominee/s) on the terms and conditions set out in the Explanatory Statement.”

A voting exclusion statement and voting prohibition statement applies to this Resolution. Please see below.

9. RESOLUTION 9 – APPROVAL TO ISSUE CONSULTANCY SHARES

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

“That, for the purposes of Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue 15,000,000 Shares to Rock Doc Pty Ltd on the terms and conditions set out in the Explanatory Statement.”

A voting exclusion statement applies to this Resolution. Please see below.

Dated: 19 February 2021

By order of the Board

**Lauren Nelson
Company Secretary**

Voting Exclusion Statements

In accordance with Listing Rule 14.11, the Company will disregard any votes cast in favour of the resolution set out below by or on behalf of the following persons:

Resolution 1 – Ratification of prior issue of Tranche 1 Placement Shares – Listing Rule 7.1	A person who participated in the issue or is a counterparty to the agreement being approved (namely the Tranche 1 Placement Participants) or an associate of that person (or those persons).
Resolution 2 – Ratification of prior issue of Tranche 1 Placement Shares – Listing Rule 7.1A	A person who participated in the issue or is a counterparty to the agreement being approved (namely the Tranche 1 Placement Participants) or an associate of that person or those persons.
Resolution 3 – Approval to issue Tranche 2 Placement Shares – Listing Rule 7.1	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) (namely the Tranche 2 Placement Participants) or an associate of that person (or those persons).
Resolution 4 – Approval to issue Broker Options	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) (namely Chieftain Securities Pty Ltd, Peloton Capital Pty Ltd, Originate Capital Pty Ltd and Bridge Street Capital Pty Ltd (or their nominee/s) or an associate of that person (or those persons)).
Resolution 5 – Approval to issue Advisor Options to Chieftain Securities Pty Ltd	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) (namely Chieftain Securities Pty Ltd (or its nominee/s), or an associate of that person (or those persons)).
Resolution 6 – Approval to issue Advisor Options to Shenton James Pty Ltd	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) (namely Shenton James Pty Ltd (or its nominee/s), or an associate of that person (or those persons)).
Resolution 7 – Issue of Options to Director (Matthew Worner)	Mr Matthew Worner (or his nominee) and any other person who will obtain a material benefit as a result of the issue of the securities (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.
Resolution 8 – Issue of Options to Director (Douglas Jendry)	Mr Douglas Jendry (or his nominee) and any other person who will obtain a material benefit as a result of the issue of the securities (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.
Resolution 9 – Approval to issue Consultancy Shares	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) (namely, Rock Doc Pty Ltd) or an associate of that person (or those persons).

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

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

Voting Prohibition Statements:

Resolution 7 – Issue of Options to Director (Matthew Worner)	A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if: <ul style="list-style-type: none"> (a) the proxy is either: <ul style="list-style-type: none"> (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: <ul style="list-style-type: none"> (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.
Resolution 8 – Issue of Options to Director (Douglas Jendry)	A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if: <ul style="list-style-type: none"> (c) the proxy is either: <ul style="list-style-type: none"> (iii) a member of the Key Management Personnel; or (iv) a Closely Related Party of such a member; and (d) the appointment does not specify the way the proxy is to vote on this Resolution. However, the above prohibition does not apply if: <ul style="list-style-type: none"> (c) the proxy is the Chair; and 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.

Voting in person

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

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 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.

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on +61 8 6319 1900.

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. BACKGROUND TO THE PLACEMENT

1.1 Background

As announced on 3 February 2021, the Company is currently undertaking a placement to sophisticated and professional investors of up to 1,250,000,000 fully paid ordinary shares in the capital of the Company (**Shares**) at an issue price of \$0.004 per Share (**Placement Shares**) to raise up to \$5,000,000 (**Placement**). The Placement is being conducted in two tranches as follows:

- (a) 1,000,000,000 Placement Shares, which were issued on 9 February 2021, comprising:
 - (i) 652,768,428 Shares issued pursuant to the Company's existing placement capacity under Listing Rule 7.1 (being the Shares the subject of Resolution 1); and
 - (ii) 347,231,572 Shares issued pursuant to the Company's placement capacity under Listing Rule 7.1A (being the Shares the subject of Resolution 2),(together, **Tranche 1**),
- (b) 250,000,000 Placement Shares, which will be issued, subject to Shareholder approval, pursuant to the Company's existing placement capacity under Listing Rule 7.1 (being the Shares the subject of Resolution 3) (**Tranche 2**).

The Company has engaged Chieftain Securities Pty Ltd (ACN 608 580 285) (**Chieftain** or **Lead Manager**) to act as lead manager and corporate advisor to the Placement. Please refer to Schedule 2 for a summary of the agreement pursuant to which the Company has engaged Chieftain to provide these services (**Chieftain Mandate**).

1.2 Purpose of the Placement

The Company intends to apply the funds raised under the Placement as follows:

- (a) to reimburse Telmen Resource JSC (**Telmen**) for the costs incurred during exploration work undertaken to date on the production sharing contract (**PSC**) located onshore Mongolia;
 - (b) to fund 100% of an initial 2021 exploration program designed to prove up a significant Contingent Resource at the project. An initial exploration spend of ~A\$2 million is planned, with further exploration spend beyond that subject to initial results;
 - (c) to progress towards drilling at the Company's Walyering Prospect in the onshore Perth Basin; and
 - (d) for general working capital purposes,
- (together, the **Placement Funding Purposes**).

For further details in respect of the Placement, refer to the announcement released on the Company's ASX platform on 3 February 2021.

2. RESOLUTIONS 1 AND 2 – RATIFICATION OF TRANCHE 1 PLACEMENT SHARES – LISTING RULE 7.1

2.1 General

The background to the Placement is set out above in Section 1.1.

On 9 February 2021, the Company issued 1,000,000,000 Shares at an issue price of \$0.004 per Share to raise \$4,000,000 (**Tranche 1 Placement Shares**).

652,768,428 Shares were issued pursuant to the Company's capacity under Listing Rule 7.1 (being, the subject of Resolution 1) and 347,231,572 Shares were issued pursuant to the Company's 7.1A mandate (being, the Subject of Resolution 2) which was approved by Shareholders at the annual general meeting held on 29 May 2020.

2.2 Listing Rule 7.1

Broadly speaking, and subject to a number of exceptions, Listing Rule 7.1 limits the amount of equity securities that a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary shares it had on issue at the start of that period.

Under Listing Rule 7.1A, an eligible entity can seek approval from its members, by way of a special resolution passed at its annual general meeting, to increase this 15% limit by an extra 10% to 25%.

The Company obtained approval to increase its limit to 25% at the annual general meeting held on Friday 29 May 2020.

The issue of the Tranche 1 Placement Shares does not fit within any of the exceptions set out in Listing Rule 7.2 and, as it has not yet been approved by Shareholders, it effectively uses up part of the 25% limit in Listing Rules 7.1 and 7.1A, reducing the Company's capacity to issue further equity securities without Shareholder approval under Listing Rule 7.1 and 7.1A for the 12 month period following the date of issue of the Tranche 1 Placement Shares.

Listing Rule 7.4 allows the shareholders of a listed company to approve an issue of equity securities after it has been made or agreed to be made. If they do, the issue is taken to have been approved under Listing Rule 7.1 and so does not reduce the company's capacity to issue further equity securities without shareholder approval under that rule.

The Company wishes to retain as much flexibility as possible to issue additional equity securities in the future without having to obtain Shareholder approval for such issues under Listing Rule 7.1. Accordingly, the Company is seeking Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the Tranche 1 Placement Shares.

Resolution 1 seeks Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the Tranche 1 Placement Shares.

2.3 Technical information required by Listing Rule 14.1A

If Resolutions 1 and 2 are passed, the Tranche 1 Placement Shares will be excluded in calculating the Company's combined 25% limit in Listing Rules 7.1 and 7.1A, effectively increasing the number of equity securities the Company can issue without Shareholder approval over the 12 month period following the date of issue of the Tranche 1 Placement Shares.

If Resolutions 1 and 2 are not passed, the Tranche 1 Placement Shares will be included in calculating the Company's combined 25% limit in Listing Rules 7.1 and 7.1A, effectively decreasing the number of equity securities that the Company can issue without Shareholder approval over the 12 month period following the date of issue of the Tranche 1 Placement Shares.

2.4 Technical information required by Listing Rule 7.5

Pursuant to and in accordance with Listing Rule 7.5, the following information is provided in relation to Resolution 1:

- (a) the Tranche 1 Placement Shares were issued to professional and sophisticated investors who are clients of Chieftain. The recipients were identified through a bookbuild process, which involved Chieftain seeking expressions of interest to participate in the capital raising from non-related parties of the Company;
- (b) in accordance with paragraph 7.4 of ASX Guidance Note 21, the Company confirms that none of the recipients were:
 - (i) related parties of the Company, members of the Company's Key Management Personnel, and substantial holders of the Company, advisers of the Company or an associate of any of these parties; and
 - (ii) issued more than 1% of the issued capital of the Company;
- (c) 1,000,000,000 Tranche 1 Placement Shares were issued on the following basis:
 - (i) 652,768,428 Shares issued pursuant to Listing Rule 7.1 (ratification of which is sought under Resolution 1); and
 - (ii) 347,231,572 Shares issued pursuant to Listing Rule 7.1A (ratification of which is sought under Resolution 2);
- (d) the Tranche 1 Placement 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;
- (e) the Tranche 1 Placement Shares were issued on 9 February 2021;
- (f) the issue price was \$0.004 per Tranche 1 Placement Share under both the issue of Shares pursuant to Listing Rule 7.1 and Listing Rule 7.1A. The Company has not and will not receive any other consideration for the issue of the Tranche 1 Placement Shares;

- (g) the purpose of the issue of the Tranche 1 Placement Shares was to raise \$4,000,000, which will be applied towards the Placement Funding Purposes set out above in Section 1.2 above; and
- (h) the Tranche 1 Placement Shares were not issued under an agreement.

3. RESOLUTION 3 – APPROVAL TO ISSUE TRANCHE 2 PLACEMENT SHARES – LISTING RULE 7.1

3.1 General

Refer above to Section 1.1 for the background to the Placement.

The Company is proposing to issue up to 250,000,000 Shares at an issue price of \$0.004 per Share to raise up to an additional \$1,000,000 under the Placement (**Tranche 2 Placement Shares**).

Under Resolution 3, the Company is seeking approval pursuant to Listing Rule 7.1 to issue the Tranche 2 Placement Shares.

3.2 Listing Rule 7.1

As summarised in Section 2.2 above, Listing Rule 7.1 limits the amount of equity securities that a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary shares it had on issue at the start of that period.

The proposed issue of the Tranche 2 Placement Shares does not fall within any of the exceptions set out in Listing Rule 7.2 and exceeds the 15% limit in Listing Rule 7.1. It therefore requires the approval of Shareholders under Listing Rule 7.1.

3.3 Technical information required by Listing Rule 14.1A

If Resolution 3 is passed, the Company will be able to proceed with the issue of the Tranche 2 Placement Shares. In addition, the issue of the Tranche 2 Placement Shares will be excluded from the calculation of the number of equity securities that the Company can issue without Shareholder approval under Listing Rule 7.1.

If Resolution 3 is not passed, the Company will not be able to proceed with the issue of the Tranche 2 Placement Shares.

Resolution 3 seeks Shareholder approval for the purposes of Listing Rule 7.1 for the issue of the Tranche 2 Placement Shares.

3.4 Technical information required by Listing Rule 7.1

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

- (a) the Tranche 2 Placement Shares will be issued to professional and sophisticated investors who are clients of Chieftain. The recipients will be identified through a bookbuild process, which will involve Chieftain seeking expressions of interest to participate in the capital raising from non-related parties of the Company;

- (b) in accordance with paragraph 7.2 of ASX Guidance Note 21, the Company confirms that none of the recipients will be:
- (i) related parties of the Company, members of the Company's Key Management Personnel, substantial holders of the Company, advisers of the Company or an associate of any of these parties; and
 - (ii) issued more than 1% of the issued capital of the Company;
- (c) the maximum number of Tranche 2 Placement Shares to be issued is 250,000,000. The Tranche 2 Placement 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;
- (d) the Tranche 2 Placement 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 Listing Rules) and it is intended that issue of the Tranche 2 Placement Shares will occur on the same date;
- (e) the issue price of the Tranche 2 Placement Shares will be \$0.004 per Tranche 2 Placement Share. The Company will not receive any other consideration for the issue of the Tranche 2 Placement Shares;
- (f) the purpose of the issue of the Tranche 2 Placement Shares is to raise \$1,000,000, which the Company intends to apply towards the Placement Funding Purposes set out above in Section 1.2;
- (g) the Tranche 2 Placement Shares are not being issued under an agreement; and
- (h) the Tranche 2 Placement Shares are not being issued under, or to fund, a reverse takeover.

4. RESOLUTION 4 – APPROVAL TO ISSUE BROKER OPTIONS

4.1 General

The Company has agreed to issue 100,000,000 Options to third party advisors to the Placement (**Brokers**), comprising:

- (a) 50,000,000 Options to be issued to Chieftain Securities Pty Ltd (or its nominee/s) (defined above);
- (b) 25,000,000 Options to be issued to Peloton Capital Pty (or its nominee/s) (ACN 149 540 018) (**Peloton**);
- (c) 15,000,000 Options to be issued to Originate Capital Pty Ltd (or its nominee/s) (ACN 620 578 172) (**Originate**); and
- (d) 10,000,000 Options to be issued to Bridge Street Capital Pty Ltd (or its nominee/s) (ACN 150 409 948) (**Bridge Street**),

(together, the **Broker Options**).

4.2 Listing Rule 7.1

As summarised in Section 2.2 above, Listing Rule 7.1 limits the amount of equity securities that a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary shares it had on issue at the start of that period.

The proposed issue of the Broker Options does not fall within any of the exceptions set out in Listing Rule 7.2 and exceeds the 15% limit in Listing Rule 7.1. It therefore requires the approval of Shareholders under Listing Rule 7.1.

4.3 Technical information required by Listing Rule 14.1A

If Resolution 4 is passed, the Company will be able to proceed with the issue of the Broker Options. In addition, the issue of the Broker Options will be excluded from the calculation of the number of equity securities that the Company can issue without Shareholder approval under Listing Rule 7.1.

If Resolution 4 is not passed, the Company will not be able to proceed with the issue of the Broker Options.

Resolution 4 seeks Shareholder approval for the purposes of Listing Rule 7.1 for the issue of the Broker Options.

4.4 Technical information required by Listing Rule 7.1

Pursuant to and in accordance with Listing Rule 7.3, the following information is provided in relation to Resolution 4:

- (a) the Broker Options will be issued to the parties set out above in Section 4.1 (namely, Chieftain, Peloton, Originate and Bridge Street (or their nominee/s), none of whom are related parties of the Company);
- (b) the maximum number of Broker Options to be issued is 100,000,000, in the amounts set out above in Section 4.1. The terms and conditions of the Broker Options are set out in Schedule 1;
- (c) the Broker Options 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 Listing Rules) and it is intended that issue of the Broker Options will occur on the same date;
- (d) the Broker Options will be issued at a nil issue price, in consideration for the advisory services provided in connection with the Placement by the Brokers;
- (e) the purpose of the issue of the Broker Options is to remunerate the Brokers for services provided in connection with the Placement;
- (f) the Broker Options are being issued under the Cheiftain Mandate, a summary of which is included in Schedule 2. The Options will be issued to Chieftain, who will then distribute the Options between the Brokers in consideration for each of their advisory services provided in connection with the Placement, in the proportions set out above in Section 4.1; and
- (g) the Broker Options are not being issued under, or to fund, a reverse takeover.

5. RESOLUTIONS 5 AND 6 – APPROVAL TO ISSUE ADVISOR OPTIONS – LISTING RULE 7.1

5.1 General

The Company has agreed to issue 140,000,000 Options to third party advisors to the Placement (the **Advisors**). Specifically, the Company has agreed to issue:

- (a) 100,000,000 Options to be issued to Chieftain Securities Pty Ltd (or its nominee/s) in consideration for corporate advisory services provided in connection with the Placement to the Company (being the Options the subject of Resolution 5); and
- (b) 40,000,000 Options to be issued to Shenton James Pty Ltd (ACN 128 081 354) (**Shenton James**) (or its nominee/s) in consideration for its work in presenting the Company with the opportunity presented by the production sharing contract (**PSC**) with Telmen (being the Options the subject of Resolution 6). Refer to the Company's announcement released on the ASX platform on 3 February 2021 (titled "Talon Secures Option for Mongolian Coal Bed Methane Project") for further information in respect of the Company's proposed 33% earn-in interest in the PSC.

(together, the **Advisor Options**).

As summarised in Section 2.2 above, Listing Rule 7.1 limits the amount of equity securities that a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary shares it had on issue at the start of that period.

The proposed issue of the Advisor Options does not fall within any of these exceptions and exceeds the 15% limit in Listing Rule 7.1. It therefore requires the approval of Shareholders under Listing Rule 7.1.

5.2 Technical information required by Listing Rule 14.1A

If Resolutions 5 and 6 are passed, the Company will be able to proceed with the issue of the Advisor Options to Chieftain and Shenton James (or their respective nominee/s).

In addition, the issue of the Advisor Options to Chieftain and Shenton James (or their respective nominee/s) will be excluded from the calculation of the number of equity securities that the Company can issue without Shareholder approval under Listing Rule 7.1.

If Resolutions 5 and 6 are not passed, the Company will not be able to proceed with the issue of the Advisor Options to Chieftain and Shenton James.

Resolutions 5 and 6 seek Shareholder approval for the purposes of Listing Rule 7.1 for the issue of the Advisor Options to Chieftain and Shenton James.

5.3 Technical information required by Listing Rule 7.1

Pursuant to and in accordance with Listing Rule 7.3, the following information is provided in relation to Resolutions 5 and 6:

- (a) the Advisor Options will be issued to:

- (i) Chieftain Securities Pty Ltd (or its nominee/s) (the subject of Resolution 5); and
 - (ii) Shenton James Pty Ltd (or its nominee/s) (the subject of Resolution 6),none of whom are related parties of the Company;
- (b) the maximum number of Advisor Options is a maximum of 140,000,000 Options, comprised of:
 - (i) 100,000,000 Options to be issued to Chieftain ; and
 - (ii) 40,000,000 Options to be issued to Shenton James,in the amounts set out above in Section 5.1. The Advisor Options will be issued on the terms and conditions set out in Schedule 1;
- (c) the Advisor Options 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 Listing Rules);
- (d) the Advisor Options will be issued at a nil issue price, in consideration for advisory services provided in connection with the raising of capital under the Placement;
- (e) the purpose of the issue of the Advisor Options is to remunerate the third party advisors for services provided in respect of the raising of capital under the Placement, specifically:
 - (i) to remunerate Chieftain for corporate advisory services provided in connection with the Placement; and
 - (ii) to remunerate Shenton James for introducing the Proposed Earn-In with Telmen to the Company,
- (f) the Advisor Options to be issued to:
 - (i) Chieftain, are being issued under the Chieftain Mandate, a summary of which is included at Schedule 2; and
 - (ii) Shenton James are not being issued under an agreement;
- (g) the Advisor Options are not being issued under, or to fund, a reverse takeover; and
- (h) voting exclusion statements are included in Resolution 5 of this Notice.

6. RESOLUTIONS 7 AND 8 – ISSUE OF OPTIONS TO RELATED PARTIES

6.1 General

The Company has agreed, subject to obtaining Shareholder approval, to issue a total of 60,000,000 Options to Directors, comprising:

- (a) 40,000,000 Options to Matthew Worner (or his nominee/s) (the subject of Resolution 7); and

- (b) 20,000,000 Options to Douglas Jendry (or his nominee/s) (the subject of Resolution 8),

on the terms and conditions set out below (together, the **Director Options**).

Resolutions 7 and 8 seek Shareholder approval for the issue of the Director Options to Messrs Worner and Jendry (the **Related Parties**) (or their nominee/s).

6.2 Chapter 2E of the Corporations Act

For a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

- (a) obtain the approval of the public company's members 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 Director Options to the Related Parties (or their nominee) constitutes giving a financial benefit and Messrs Worner and Jendry are related parties of the Company by virtue of being Directors of the Company.

The Directors (other than Mr Worner (in respect of Resolution 7) and Mr Jendry (in respect of Resolution 8) who have material personal interests in their respective Resolutions) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the grant of Director Options because the agreement to issue the Director Options, reached as part of the remuneration package for Messrs Worner and Jendry, is considered reasonable remuneration in the circumstances and was negotiated on an arm's length basis.

6.3 Listing Rule 10.11

Listing Rule 10.11 provides that unless one of the exceptions in Listing Rule 10.12 applies, a listed company must not issue or agree to issue equity securities to:

- 10.11.1 a related party;
- 10.11.2 a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (30%+) holder in the company;
- 10.11.3 a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (10%+) holder in the company and who has nominated a director to the board of the company pursuant to a relevant agreement which gives them a right or expectation to do so;

- 10.11.4 an associate of a person referred to in Listing Rules 10.11.1 to 10.11.3; or
- 10.11.5 a person whose relationship with the company or a person referred to in Listing Rules 10.11.1 to 10.11.4 is such that, in ASX's opinion, the issue or agreement should be approved by its shareholders,

unless it obtains the approval of its shareholders.

The issue of the Director Options falls within Listing Rule 10.11.1 and does not fall within any of the exceptions in Listing Rule 10.12. It therefore requires the approval of Shareholders under Listing Rule 10.11.

Resolutions 7 and 8 seek the required Shareholder approval for the issue of the Options under and for the purposes of Listing Rule 10.11.

6.4 Technical information required by Listing Rule 14.1A

If Resolutions 7 and 8 are passed, the Company will be able to proceed with the issue of the Options to the Related Parties within one month after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the Listing Rules). As approval pursuant to Listing Rule 7.1 is not required for the issue of the Options (because approval is being obtained under Listing Rule 10.11), the issue of the Director Options will not use up any of the Company's 15% annual placement capacity.

If Resolutions 7 and 8 are not passed, the Company will not be able to proceed with the issue of the Options.

6.5 Technical Information required by Listing Rule 10.13

Pursuant to and in accordance with Listing Rule 10.13, the following information is provided in relation to Resolutions 7 and 8:

- (a) the Director Options will be issued to Mr Matthew Worner and Mr Douglas Jendry (or their nominee/s), both of whom fall within the category set out in Listing Rule 10.11.1 as Messrs Worner and Jendry are related parties of the Company by virtue of being Directors;
- (b) the maximum number of Director Options to be issued is 60,000,000, comprising:
 - (i) 40,000,000 Options to be issued to Mr Worner (or his nominee/s) (the subject of Resolution 7); and
 - (ii) 20,000,000 Options to be issued to Douglas Jendry (or his nominee/s) (the subject of Resolution 8),
- (c) the terms and conditions of the Director Options are set out in Schedule 1;
- (d) the Director Options will be issued no later than 1 month after the date of the Meeting (or such later date to the extent permitted by any ASX waiver

or modification of the Listing Rules) and it is intended that issue of the Options will occur on the same date;

- (e) the issue price of the Director Options will be nil. The Company will not receive any other consideration in respect of the issue of the Options (other than in respect of funds received on exercise of the Director Options);
- (f) the purpose of the issue of the Director Options is to provide a performance linked incentive component in the remuneration package for Messrs Worner and Jendry to motivate and reward their performance as a Director and to provide cost effective remuneration to Messrs Worner and Jendry, enabling the Company to spend a greater proportion of its cash reserves on its operations than it would if alternative cash forms of remuneration were given to Messrs Worner and Jendry;
- (g) the current total remuneration package for Mr Worner is \$180,675 per annum including superannuation.
- (h) the current total remuneration package for Mr Jendry is \$48,000, per annum; and
- (i) the Options are not being issued under an agreement.

7. RESOLUTION 9 – APPROVAL TO ISSUE CONSULTANCY SHARES

7.1 General

The Company is proposing to issue 15,000,000 Shares at a deemed issue price of \$0.004 per Share in consideration for geological and new venture services (**Consultancy Services**) provided by Rock Doc Pty Ltd (ACN 063 574 274) (**Rock Doc**) (**Consultancy Shares**).

On 10 February 2021, the Company entered into a consultancy agreement with Rock Doc pursuant to which the Company engaged Rock Doc to provide the Consultancy Services (**Consultancy Agreement**). The Consultancy Shares are being issued pursuant to, and to satisfy the Company's obligations under, the Consultancy Agreement.

The material terms of the Consultancy Agreement are set out in Schedule 3 to this Notice.

7.2 Listing Rule 7.1

As summarised in Section 2.2 above, Listing Rule 7.1 limits the amount of equity securities that a listed company can issue without the approval of its shareholders over any 12-month period to 15% of the fully paid ordinary shares it had on issue at the start of that period.

The proposed issue of the Consultancy Shares does not fall within any of the exceptions set out in Listing Rule 7.2 and exceeds the 15% limit in Listing Rule 7.1. It therefore requires the approval of Shareholders under Listing Rule 7.1.

The proposed issue of the Consultancy Shares does not fit within any of the exceptions set out in Listing Rule 7.2. While the issue does not exceed the 15% limit in Listing Rule 7.1 and can therefore be made without breaching that rule, the Company wishes to retain as much flexibility as possible to issue additional equity

securities in the future without having to obtain Shareholder approval under Listing Rule 7.1. Accordingly, the Company is seeking Shareholder approval pursuant to Listing Rule 7.1 so that it does not use up any of its 15% placement capacity under Listing Rule 7.1.

7.3 Technical information required by Listing Rule 14.1A.

If Resolution 9 is passed, the Company will be able to proceed with the issue of the Consultancy Shares. In addition, the issue of the Consultancy Shares will be excluded from the calculation of the number of equity securities that the Company can issue without Shareholder approval under Listing Rule 7.1.

If Resolution 9 is not passed, the Company will not be able to proceed with the issue of the Consultancy Shares.

Resolution 9 seeks Shareholder approval for the purposes of Listing Rule 7.1 for the issue of the Consultancy Shares.

7.4 Technical information required by Listing Rule 7.1

Pursuant to and in accordance with Listing Rule 7.3, the following information is provided in relation to Resolution 9:

- (a) the Consultancy Shares will be issued to Rock Doc Pty Ltd, who is not a related party of the Company;
- (b) the maximum number of Consultancy Shares to be issued is 15,000,000. The Consultancy 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;
- (c) 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 Listing Rules) and it is intended that issue of the Consultancy Shares will occur on the same date;
- (d) the issue price of the Consultancy Shares will be nil per Share as the Consultancy Shares will be issued in consideration for geological and new venture services provided by Rock Doc Pty Ltd. The Company has not and will not receive any other consideration for the issue of the Shares to Rock Doc;
- (e) the purpose of the issue of the Consultancy Shares is to satisfy the Company's obligations under the Consultancy Agreement;
- (f) the Consultancy Shares are being issued to Rock Doc under the Consultancy Agreement. A summary of the material terms of the Consultancy Agreement is set out in Schedule 3; and
- (g) the Consultancy Shares are not being issued under, or to fund, a reverse takeover.

SCHEDULE 1 – TERMS AND CONDITIONS OF OPTIONS

(a) **Entitlement**

Each Option entitles the holder to subscribe for one Share upon exercise of the Option.

(b) **Exercise Price**

Subject to paragraph (i), the amount payable upon exercise of each Option will be \$0.006 (**Exercise Price**).

(c) **Expiry Date**

Each Option will expire at 5:00 pm (WST) on 28 February 2024 (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(d) **Exercise Period**

The Options are exercisable at any time on or prior to the Expiry Date (**Exercise Period**).

(e) **Notice of Exercise**

The Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

(f) **Exercise Date**

A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds (**Exercise Date**).

(g) **Timing of issue of Shares on exercise**

Within five Business Days after the Exercise Date, the Company will:

- (i) issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;
- (ii) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and
- (iii) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.

If a notice delivered under (g)(ii) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 Business Days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.

(h) **Shares issued on exercise**

Shares issued on exercise of the Options rank equally with the then issued shares of the Company.

(i) **Reconstruction of capital**

If at any time the issued capital of the Company is reconstructed, all rights of an Option holder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.

(j) **Participation in new issues**

There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options.

(k) **Change in exercise price**

An Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Option can be exercised.

(l) **Transferability**

The Options are transferable subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities laws.

SCHEDULE 2 – SUMMARY OF CHIEFTAIN MANDATE

On 28 January 2021, the Company entered into a mandate to appoint Chieftain Securities Pty Ltd (ACN 608 580 285) (**Chieftain**) as lead manager and corporate advisor to the Placement (**Chieftain Mandate**).

The material terms and conditions of the Chieftain Mandate are as follows:

(a) **Capital Raising**

Chieftain has agreed to use its best endeavours to deliver to the Company applications from sophisticated and professional investors for Placement Shares and the Company has agreed to issue the Placement Shares.

(b) **Fees**

The Company has agreed to pay/issue to Chieftain (or its nominee/s):

- (i) a placement fee of 5% of total funds raised under the Placement (plus GST), payable in cash within 5 days of completion of the Placement, which may be paid away to other eligible brokers on a pro-rata basis for funds raised under the Placement;
- (ii) a management fee of 1% of total funds raised under the Placement (plus GST), payable in cash within 5 days of completion of the Placement;
- (iii) 50,000,000 Broker Options exercisable at \$0.006 each, on or before 28 February 2024, in consideration for providing lead manager services to the Company in connection with the Placement; and
- (iv) 100,000,000 Advisor Options, exercisable at \$0.006 each on or before 28 February 2024, in consideration for providing corporate advisory services to the Company and in connection with the Placement.

(c) **Expenses**

The Company has agreed to reimburse Chieftain for all reasonable out of pocket expenses incurred by Chieftain in carrying out their engagement, which includes any settlement costs, ASX fees, ASIC fees, legal, communications, couriers, travel and accommodation. Chieftain must obtain the written consent of the Company prior to incurring any costs in excess of \$2000.

(d) **Termination**

Chieftain may terminate the Chieftain Mandate if any of the following events occur before the date of issue of the last Placement Shares:

- (i) the Placement is prevented from proceeding by reason of an order made by ASIC or ASX or there is an investigation or inquiry or proceedings initiated by either ASIC or ASX into the conduct of the Company;

- (ii) a receiver or liquidator or administrator (or similar) is appointed in respect of the Company or any subsidiary, without the consent of Chieftain, or any proceedings are commenced against the Company for its winding up, or the Company enters into a Scheme of Arrangement or judgment in an amount exceeding \$500,000 is obtained against the Company and is not set aside or satisfied within 14 days;
- (iii) any event occurs which, in the reasonable opinion of Chieftain, would prevent Placement Shares from being freely tradeable from their date of issue;
- (iv) the Company or a related body corporate suspends payment of its debts generally or is or becomes unable to pay its debts when they are due or becomes unable to pay its debt within the meaning of the Corporations Act;
- (v) any director or officer of the Company is charged with an indictable offence;
- (vi) the Company or a related body corporate makes or agrees to make an issue of shares or convertible securities other than:
 - (A) as contemplated by the Placement;
 - (B) any share purchase plan of the Company;
 - (C) pursuant to any incentive plan or scheme for the issue of securities to employees, directors or officers of the Company;
 - (D) upon the conversion of convertible securities issued prior to the date of the Lead Manager Mandate, without the prior written consent of Chieftain; or
 - (E) pursuant to any existing acquisition agreement where the Company has agreed to issue shares as part of the purchase price.
- (vii) the Company notifies Chieftain that it has withdrawn the Placement; or
- (viii) approval is refused or not granted, other than subject to customary conditions, to the official quotation on ASX on or before the date of the allotment of the Placement Shares, or if granted, the approval is subsequently withdrawn, qualified or withheld;

The Chieftain Mandate contains otherwise standard terms and conditions for an agreement of this nature.

SCHEDULE 3 – SUMMARY OF CONSULTANCY AGREEMENT

The material terms and conditions of the Consultancy Agreement are as follows:

(a) **Scope of Work**

The Company agreed to engage Rock Doc to provide the following services:

- (i) screening and assessment of potential asset acquisition targets in the Perth Basin, Western Australia;
- (ii) assisting the Company to progress its present Perth Basin asset portfolio, including but not limited to geological interpretation and operational matters; and
- (iii) further work as agreed between the parties.

(b) **Term**

The Company agreed to engage Rock Doc from the period commencing on 1 February 2021 until 10 August 2021, unless terminated earlier.

(d) **Compensation**

The Company agreed to pay/issue to Rock Doc:

- (i) a monthly retainer of \$5,000 (exclusive of GST);
- (iv) subject to Shareholder approval, 15,000,000 Shares; and
- (v) reimbursement for any expenses incurred in the process of carrying out the services set out in (a) (individual expenses exceeding \$250 must be approved by the Company).

(e) **Nature of engagement**

The parties agreed that Rock Doc will serve as an independent contractor and will not be considered an employee or agent acting on behalf of the Company.

The Consultancy Agreement is on terms and conditions considered otherwise standard for an agreement of this nature.

GLOSSARY

\$ means Australian dollars.

Advisor Options has the meaning given to that term in Section 4.1.

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.

Company means Talon Petroleum Limited (ACN 153 229 086).

Constitution means the Company's constitution.

Consultancy Services has the meaning given to that term in Section 7.1.

Consultancy Shares has the meaning given to that term in Section 7.1.

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

Director Options has the meaning given to that term in Section 5.1.

Directors means the current directors of the Company.

Explanatory Statement means the explanatory statement accompanying the Notice.

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

Incentive Performance Right means a Performance Right issued as an incentive.

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.

Performance Right means a right to acquire a Share, subject to satisfaction of relevant vesting conditions.

Performance Share means a performance share in the capital of the Company.

Proxy Form means the proxy form accompanying the Notice.

Resolution means the resolution 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.

Tranche 1 Participants means subscribers for the Tranche 1 Placement Shares.

Tranche 1 Placement Shares has the meaning given to that term in Section 2.1.

Tranche 2 Participants means subscribers for the Tranche 2 Placement Shares.

Tranche 2 Placement Shares has the meaning given to that term in Section 3.1.

Unlisted Option means an unlisted option to acquire a Share.

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

**PROXY FORM
TALON PETROLEUM LIMITED
ACN 153 229 086**

GENERAL MEETING

I/We

of:

being a Shareholder entitled to attend and vote at the Meeting, hereby appoint:

Name:

OR: the Chair of the Meeting as my/our proxy.

or failing the person so named or, if no person is named, the Chair, or the Chair's nominee, to vote in accordance with the following directions, or, if no directions have been given, and subject to the relevant laws as the proxy sees fit, at the Meeting to be held at 10:00am (AWST) on 26 March 2021 at 1202 Hay Street, West Perth WA 6005, and at any adjournment thereof.

AUTHORITY FOR CHAIR TO VOTE UNDIRECTED PROXIES ON REMUNERATION RELATED RESOLUTIONS

Where I/we have appointed the Chair as my/our proxy (or where the Chair becomes my/our proxy by default), I/we expressly authorise the Chair to exercise my/our proxy on Resolutions 7 and 8 (except where I/we have indicated a different voting intention below) even though Resolutions 7 and 8 are connected directly or indirectly with the remuneration of a member of the Key Management Personnel, which includes the Chair.

CHAIR'S VOTING INTENTION IN RELATION TO UNDIRECTED PROXIES

The Chair intends to vote undirected proxies in favour of all Resolutions. In exceptional circumstances the Chair may change his/her voting intention on any Resolution. In the event this occurs an ASX announcement will be made immediately disclosing the reasons for the change.

Voting on business of the Meeting

		FOR	AGAINST	ABSTAIN
Resolution 1	Ratification of prior issue of Tranche 1 Placement Shares – Listing Rule 7.1	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Ratification of prior issue of Tranche 1 Placement Shares – Listing Rule 7.1A	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Approval to issue Tranche 2 Placement Shares – Listing Rule 7.1	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Approval to issue Broker Options	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5	Approval to issue Advisor Options to Chieftain Securities Pty Ltd	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6	Approval to issue Advisor Options to Shenton James Pty Ltd	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 7	Approval to issue Options to Director (Matthew Warner)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 8	Approval to issue Options to Director (Douglas Jendry)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 9	Approval to issue Consultancy Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Please note: If you mark the abstain box for a particular Resolution, you are directing your proxy not to vote on that Resolution on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

If two proxies are being appointed, the proportion of voting rights this proxy represents is: _____ %

Signature of Shareholder(s):

Individual or Shareholder 1

Sole Director/Company Secretary

Shareholder 2

Director

Shareholder 3

Director/Company Secretary

Date: _____

Contact name: _____

Contact ph (daytime): _____

E-mail address: _____

**Consent for contact by e-mail
in relation to this Proxy Form:** YES NO

Instructions for completing Proxy Form

1. **Appointing a proxy**

A Shareholder entitled to attend and cast a vote at the Meeting is entitled to appoint a proxy to attend and vote on their behalf at the Meeting. If a Shareholder is entitled to cast 2 or more votes at the Meeting, the Shareholder may appoint a second proxy to attend and vote on their behalf at the Meeting. However, where both proxies attend the Meeting, voting may only be exercised on a poll. The appointment of a second proxy must be done on a separate copy of the Proxy Form. A Shareholder who appoints 2 proxies may specify the proportion or number of votes each proxy is appointed to exercise. If a Shareholder appoints 2 proxies and the appointments do not specify the proportion or number of the Shareholder's votes each proxy is appointed to exercise, each proxy may exercise one-half of the votes. Any fractions of votes resulting from the application of these principles will be disregarded. A duly appointed proxy need not be a Shareholder.

2. **Direction to vote**

A Shareholder may direct a proxy how to vote by marking one of the boxes opposite each item of business. The direction may specify the proportion or number of votes that the proxy may exercise by writing the percentage or number of Shares next to the box marked for the relevant item of business. Where a box is not marked the proxy may vote as they choose subject to the relevant laws. Where more than one box is marked on an item the vote will be invalid on that item.

3. **Compliance with Listing Rule 14.11**

In accordance to Listing Rule 14.11, if you hold Shares on behalf of another person(s) or entity/entities or you are a trustee, nominee, custodian or other fiduciary holder of the Shares, you are required to ensure that the person(s) or entity/entities for which you hold the Shares are not excluded from voting on resolutions where there is a voting exclusion. Listing Rule 14.11 requires you to receive written confirmation from the person or entity providing the voting instruction to you and you must vote in accordance with the instruction provided.

By lodging your proxy votes, you confirm to the Company that you are in compliance with Listing Rule 14.11.

4. **Signing instructions:**

- **Individual:** Where the holding is in one name, the Shareholder must sign.
- **Joint holding:** Where the holding is in more than one name, all of the Shareholders should sign.
- **Power of attorney:** If you have not already provided the power of attorney with the registry, please attach a certified photocopy of the power of attorney to this Proxy Form when you return it.
- **Companies:** Where the company has a sole director who is also the sole company secretary, that person must sign. Where the company (pursuant to Section 204A of the Corporations Act) does not have a company secretary, a sole director can also sign alone. Otherwise, a director jointly with either another director or a company secretary must sign. Please sign in the appropriate place to indicate the office held. In addition, if a representative of a company is appointed pursuant to Section 250D of the Corporations Act to attend the Meeting, the documentation evidencing such appointment should be produced prior to admission to the Meeting. A form of a certificate evidencing the appointment may be obtained from the Company.

5. **Attending the Meeting**

Completion of a Proxy Form will not prevent individual Shareholders from attending the Meeting in person if they wish. Where a Shareholder completes and lodges a valid Proxy Form and attends the Meeting in person, then the proxy's authority to speak and vote for that Shareholder is suspended while the Shareholder is present at the Meeting.

6. **Lodgement of Proxy Form**

Proxy forms can be lodged:

- (b) by completing and signing the enclosed Proxy Form and returning by:
- (i) post to Talon Petroleum Ltd, PO Box 1976, West Perth Western Australia 6872; or
 - (ii) email to the Company at info@talonpetroleum.com.au;

so that it is received not less than 48 hours prior to commencement of the Meeting.

Proxy Forms received later than this time will be invalid.