

13 April 2023

Additional Disclosures to FY22 Annual Report

Conrad Asia Energy Ltd. (**ASX:CRD**) ("**Conrad**", or the "**Company**") confirms that it was incorporated in Singapore (UEN 201026677K). Accordingly, the Company is not subject to the Australian Corporations Act (Cth) 2001 including Chapters 6, 6A, 6B and 6C of the Act dealing with the acquisition of its shares (including substantial holdings and takeovers).

Conrad is governed by Singapore laws, including but not limited to the Companies Act 1967 of Singapore ("**Singapore Companies Act**"), and its Constitution. In general, securities in the Company are freely transferable, subject to the following significant limitations on the acquisition of securities imposed under Singapore laws:

- (a) Under the Singapore Companies Act, the prior approval of the Company in a general meeting is required to issue shares and to dispose of the whole or substantially the whole of the Company's undertaking or property.
- (b) Under the Singapore Code on Take-overs and Mergers ("**Take-over Code**"), any person acquiring, whether by a series of transactions over a period of time or not, either on his own or together with parties acting in concert with him, 30% or more of the Company's voting shares, or if he holds, either on his own or together with parties acting in concert with him, between 30% and 50% (both amounts inclusive) of the Company's voting shares, and if he (or parties acting in concert with him) acquires additional voting shares representing more than 1% of the Company's voting shares in any six-month period, must, except with the consent of the Securities Industry Council in Singapore, extend a mandatory takeover offer for the remaining voting shares in accordance with the provisions of the Take-over Code. Compulsory acquisitions are permitted by the holders of not less than 90% of the total number of shares or class of shares in a company, subject to the provisions of the Singapore Companies Act.
- (c) Under the Competition Act 2004 of Singapore ("**Competition Act**"), subject to certain exclusions under the Competition Act, mergers (which include situations where one or more persons or other undertakings acquire direct or indirect control (i.e. by reason of rights, contracts or any other means, or any combination of rights, contracts or other means, decisive influence¹ is capable of being exercised with regard to the activities of the undertaking) of the whole or part of one or more other undertakings) that have resulted in, or may be expected to result in, a substantial lessening of competition within any market in Singapore for goods or services are prohibited.
- (d) Under the Securities and Futures Act 2001 of Singapore ("**SFA**"), subject to certain exemptions under the SFA, offers of securities (which includes shares and rights to acquire shares) in the Company to persons in Singapore must be accompanied by a prospectus prepared and registered in accordance with the SFA.

With respect to limitations on the acquisition of securities imposed by the Company's Constitution, subject to applicable legislation in force from time to time, the Company's Constitution (including Regulation 12.3 of the Constitution which provides that no share in the capital of the Company shall be transferred to an infant, a bankrupt or a person of unsound mind) and the ASX listing rules, there is no restriction on the transfer of all or any of a shareholder's shares in the capital of the Company, but the directors of the Company may, in their absolute discretion, decline to register a transfer of shares upon which the Company has a lien and in the case of shares not fully paid up, may refuse to register a transfer to a transferee of whom they do not approve. Under the Company's Constitution, subject to all applicable statutes (including the Singapore Companies Act and the SFA) and the rules and regulations of the ASX, the Company may also purchase or otherwise acquire its own shares upon such terms and subject to such conditions as the Company may deem fit.

¹ Generally, the Competition and Consumer Commission of Singapore considers that decisive influence is deemed to exist if there is ownership of more than 50% of the voting rights.

Share Rights

Conrad currently has 3,844,616 Share Rights on issue.

The Terms of the Share Rights are as follows:

Term	Description
Grant date	The Share Rights were issued on 25 September 2022.
Expiry date	Share Rights will expire and lapse if the time-based vesting conditions are not satisfied.
Issue Price	The Share Rights were issued for nil consideration.
Exercise price	The Share Rights do not have an exercise price. Each Share Right will deliver the holder one Share/CDI when the applicable vesting conditions are met.
Vesting conditions	<p>For each of the Non-executive Directors and Justin Pettett (former Non-executive Director of Conrad), their Share Rights will all vest on the date of the first anniversary of the issue of the Share Rights, being 25 September 2023.</p> <p>For Miltos Xynogalas and David Johnson, their Share Rights will vest on the second anniversary of the issue of the Share Rights, being 25 September 2024.</p> <p>For Patricia Lee (Head of Finance) and (Syed) Amir Mahmud, their Share Rights will vest in four equal tranches on the date of anniversary of the issue of the Share Rights, being:</p> <ul style="list-style-type: none"> • 100,000 on 25 September 2023; • 100,000 on 25 September 2024; • 100,000 on 25 September 2025; and • 100,000 on 25 September 2026.
Dealing restrictions	The holders of Share Rights agree to not deal with the Shares/CDIs issued to them on the vesting of those Share Rights prior to the release of those Shares/CDIs from any relevant voluntary or mandatory escrow arrangements entered into by the Share Right holder.
Quotation	The Share Rights will not be quoted on the ASX or any other securities exchange.
Rights associated with Share Rights	<p>The Share Rights do not carry any dividend or voting rights (except as required by law).</p> <p>The Share Rights do not permit the holder to:</p> <ul style="list-style-type: none"> • participate in a return of capital, whether in a winding up, upon a reduction of capital or otherwise; or • participate in new issues of capital such as bonus issues and entitlement issues. <p>The Share Rights do not carry an entitlement to participate in the surplus profit or asset of the Company upon winding up of the Company.</p>
Transfer restrictions	The Share Rights are not transferable, except to the estate of the holder on the death, permanent disability or permanent incapacitation of the holder.
Adjustment of Share Rights	The Share Rights may be adjusted in accordance with the New Incentive Plan.

Cessation of Employment/ Office or Termination of Services	The following table outlines the treatment of Share Rights should the Share Rights holder cease employment with Conrad or their office/appointment with Conrad is terminated or they cease providing services to Conrad, unless the Board in its discretion determines otherwise:		
	Time of cessation	Good Leaver	Bad Leaver
	<i>Prior to vesting</i>	Holder will be entitled to have the vesting of their Share rights accelerated and vest on cessation of employment or termination of office/appointment/services.	Unvested Share rights will lapse
	<i>After vesting and delivery of Shares/CDIs</i>	Holder will continue to hold the Shares/CDIs that have been delivered to them	<i>(resignation)</i> Holder will continue to hold the Shares/CDIs that have been delivered to them <i>(for cause)</i> Unvested Share Rights will lapse and Shares/CDIs delivered to them on vesting of their Share Rights will be forfeited and bought back by Conrad.
Share Rights on change of control	<p>If a change of control event occurs in relation to the Company (for example, a takeover bid, scheme of arrangement, merger or any other transaction or event that in the Board's opinion is a change of control event in relation to the Company), the Board may (amongst other things):</p> <ul style="list-style-type: none"> waive any vesting condition; and/or determine that any vesting condition is satisfied, <p>in accordance with the New Incentive Plan.</p>		
Clawback	<p>Under the New Incentive Plan, the Board may make a determination in its discretion on how the Share Rights will be treated, such as deeming the Share Rights to have lapsed or forfeited, where (without limitation), in the opinion of the Board:</p> <ul style="list-style-type: none"> the holder has acted fraudulently or dishonestly; the holder has engaged in, or was involved in, serious misconduct; the holder has breached their duties, responsibilities or obligations to Conrad; the holder has done an act which brings Conrad into disrepute; where there has been a material misstatement or omission in the financial statements of Conrad; there occurs a catastrophic environmental or safety event (including the occurrence of any fatalities) caused by, contributed to or in respect of Conrad, its operations or personnel, or other event which leads to a significant adverse impact on the reputation of Conrad or its operations; or there occurs any other circumstance, which the Board has determined in good faith provides grounds for the Board to exercise its discretion for the treatment of the holder's Share Rights. <p>In circumstances of clawback the Board may, without limitation, require shares, received in connection with Share Rights to be forfeited or paid as directed by the Board under the New Incentive Plan.</p>		

Tax deferral under tax legislation	The New Incentive Plan is a plan to which Subdivision 83A-C of the <i>Income Tax Assessment Act 1997</i> is intended to apply (subject to the conditions in that Act).
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No Performance Rights were converted or cancelled during FY22 and none of the milestones (vesting conditions) were met during FY22.

Authorised by the Board

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