



NOTICE OF ANNUAL GENERAL MEETING

AND

EXPLANATORY STATEMENT TO SHAREHOLDERS

FOR AN ANNUAL GENERAL MEETING OF SHAREHOLDERS
TO BE HELD ON THURSDAY, 23 NOVEMBER 2017
AT 50 ORD STREET, WEST PERTH, WESTERN AUSTRALIA AT 9:00AM WST

IMPORTANT INFORMATION

This is an important document that should be read in its entirety.

If you do not understand it you should consult your professional advisers without delay.

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

You are encouraged to attend the meeting, but if you cannot, you are requested to complete and return the enclosed Proxy Form no later than 9:00am WST on Tuesday, 21 November 2017.

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NOTICE IS HEREBY GIVEN that the 2017 annual general meeting of the members of Eneabba Gas Limited ACN 107 385 884 (“**Eneabba**” or “**the Company**”) will be held on the date and at the location and time specified below:

DATE: Thursday, 23 November 2017
LOCATION: 50 Ord Street, West Perth, Western Australia
TIME: 9.00am WST

(“**Meeting**”)

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

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Annual General Meeting are those who are registered Shareholders of the Company at 9am WST on Tuesday, 21 November 2017.

BUSINESS

The business to be transacted at this Annual General Meeting is to receive and consider the financial statements and reports and the proposal of Resolutions 1 to 10 as set out below.

Financial Statements and Reports

To receive and consider the annual financial report of the Company for the financial year ended 30 June 2017 together with the declaration of the directors, the directors’ report, the Remuneration Report and the independent auditor’s report.

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, the Company adopts the Remuneration Report as set out in the Director’s Report in the Company’s annual financial report for the financial year ended 30 June 2017”.

Note: The vote on this Resolution is advisory only and does not bind the Directors or the Company.

Voting exclusion:

The Company will disregard any votes cast on this Resolution:

- (a) by or on behalf of a member of the KMP named in the remuneration report for the year ended 30 June 2017, or that KMP’s closely related party, regardless of the capacity in which the vote is cast; or
- (b) as a proxy by a member of the KMP at the date of the Meeting, or that KMP’s closely related party, unless the vote is cast as a proxy for a person who is entitled to vote on this Resolution:
 - (i) in accordance with their directions of how to vote as set out in the proxy appointment; or

- (ii) by the Chairman pursuant to an express authorisation on the Proxy Form.

RESOLUTION 2 ~ ELECTION OF DAVID WHEELER AS DIRECTOR

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 12.12 of the Constitution and for all other purposes, David Wheeler, a Director who was appointed as a Director on 10 October 2017, retires, and being eligible, is elected as a Director.”

RESOLUTION 3 ~ RE-ELECTION OF GABRIEL CHIAPPINI AS DIRECTOR

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 12.3 of the Constitution and for all other purposes, Gabriel Chiappini, a Director, who retires by rotation in accordance with the requirements of the Constitution, being eligible and offering himself for re-election, be re-elected as a Director.”

RESOLUTION 4 ~ APPROVAL FOR THE ISSUE OF ADVISOR OPTIONS TO CPS

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 20,000,000 Advisor Options to CPS (or its nominees) on the terms and conditions set out in the Explanatory Statement.”

Voting exclusion:

The Company will disregard any votes cast on this Resolution by or on behalf of CPS or its nominee(s), and any Associates of those persons.

However, the Company will not disregard a vote if:

- (a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or
- (b) it is cast by the Chairman 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.

RESOLUTION 5 ~ APPROVAL FOR THE ISSUE OF DIRECTOR OPTIONS TO BARNABY EGERTON-WARBURTON

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 10,000,000 Director Options to Barnaby Egerton-Warburton (or his nominee) on the terms and conditions set out in the explanatory statement.”

Voting exclusion:

The Company will disregard any votes cast on this Resolution:

- (a) by or on behalf of a member of the KMP named in the remuneration report for the year ended 30 June 2017, or that KMP's closely related party, regardless of the capacity in which the vote is cast; or
- (b) as a proxy by a member of the KMP at the date of the Meeting, or that KMP's closely related party, unless the vote is cast as a proxy for a person who is entitled to vote on this Resolution:
 - (i) in accordance with their directions of how to vote as set out in the proxy appointment; or
 - (ii) by the Chairman pursuant to an express authorisation on the Proxy Form.

RESOLUTION 6 ~ APPROVAL FOR THE ISSUE OF DIRECTOR OPTIONS TO GABRIEL CHIAPPINI

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 5,000,000 Director Options to Gabriel Chiappini (or his nominee) on the terms and conditions set out in the explanatory statement.”

Voting exclusion:

The Company will disregard any votes cast on this Resolution:

- (a) by or on behalf of a member of the KMP named in the remuneration report for the year ended 30 June 2017, or that KMP's closely related party, regardless of the capacity in which the vote is cast; or
- (b) as a proxy by a member of the KMP at the date of the Meeting, or that KMP's closely related party, unless the vote is cast as a proxy for a person who is entitled to vote on this Resolution:
 - (i) in accordance with their directions of how to vote as set out in the proxy appointment; or
 - (ii) by the Chairman pursuant to an express authorisation on the Proxy Form.

RESOLUTION 7 ~ APPROVAL FOR THE ISSUE OF DIRECTOR OPTIONS TO JUSTIN BARTON

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 5,000,000 Director Options to Justin Barton (or his nominee) on the terms and conditions set out in the explanatory statement.”

Voting exclusion:

The Company will disregard any votes cast on this Resolution:

- (a) by or on behalf of a member of the KMP named in the remuneration report for the year ended 30 June 2017, or that KMP's closely related party, regardless of the capacity in which the vote is cast; or
- (b) as a proxy by a member of the KMP at the date of the Meeting, or that KMP's closely related party, unless the vote is cast as a proxy for a person who is entitled to vote on this Resolution:
 - (i) in accordance with their directions of how to vote as set out in the proxy appointment; or
 - (ii) by the Chairman pursuant to an express authorisation on the Proxy Form.

RESOLUTION 8 ~ APPROVAL FOR THE ISSUE OF DIRECTOR OPTIONS TO DAVID WHEELER

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 2,000,000 Director Options to David Wheeler (or his nominee) on the terms and conditions set out in the explanatory statement.”

Voting exclusion:

The Company will disregard any votes cast on this Resolution:

- (a) by or on behalf of a member of the KMP named in the remuneration report for the year ended 30 June 2017, or that KMP's closely related party, regardless of the capacity in which the vote is cast; or
- (b) as a proxy by a member of the KMP at the date of the Meeting, or that KMP's closely related party, unless the vote is cast as a proxy for a person who is entitled to vote on this Resolution:
 - (i) in accordance with their directions of how to vote as set out in the proxy appointment; or
 - (ii) by the Chairman pursuant to an express authorisation on the Proxy Form.

RESOLUTION 9 ~ APPROVAL FOR ADDITIONAL 10% PLACEMENT CAPACITY

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

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

Voting Exclusion:

The Company will disregard any votes cast on this Resolution by any person who may participate in the issue of Equity Securities under this Resolution and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if the Resolution is passed and any associates of those persons.

However, the Company will not disregard a vote if:

- (a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or

- (b) it is cast by the Chairman 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.

RESOLUTION 10 ~ RENEWAL OF PROPORTIONAL TAKEOVER PROVISIONS

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

“That, for the purposes of section 648G of the Corporations Act and for all other purposes, the existing proportional takeover provisions in the form set out in Part 27 of the Constitution, a copy of which is tabled at the Annual General Meeting, are renewed for a period of three years commencing on the date of the Meeting.”

BY ORDER OF THE BOARD

**Gabriel Chiappini
COMPANY SECRETARY**

23 OCTOBER 2017

This Explanatory Statement has been prepared for the information of the Shareholders in connection with the business to be conducted at the Annual General Meeting to be held at 9:00am WST at 50 Ord Street, West Perth, Western Australia on Thursday, 23 November 2017. This Explanatory Statement is to assist Shareholders in understanding the background to and the legal and other implications of the Notice and the reasons for the Resolutions proposed.

1. FINANCIAL STATEMENTS AND REPORTS

In accordance with the Constitution, the business of the Annual General Meeting will include receipt and consideration of the annual financial report of the Company for the financial year ended 30 June 2017 together with the declaration of the Directors, the Directors' report, the remuneration report and the auditor's report.

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

Whilst the Company will not provide a hard copy of the Company's annual financial report unless specifically requested to do so, Shareholders may view the Company annual financial report on its website at www.eneabbagas.com.au or by contacting the Company on (+61 8) 9463 3260.

2. RESOLUTION 1 ~ ADOPTION OF REMUNERATION REPORT

General

In accordance with Section 250R(2) of the Corporations Act, the Company must put a resolution that the Remuneration Report as set out in the Directors' Report for the financial year ended 30 June 2017 be adopted to vote at the Annual General Meeting. The vote on Resolution 1 is advisory only and does not bind the Directors or the Company.

A reasonable opportunity will be provided for discussion of the Remuneration Report at the Annual General Meeting.

If at least 25% of the votes cast on the Resolution are voted against adoption of the Remuneration Report in two consecutive annual general meetings, the Company will be required to put to Shareholders a resolution proposing the calling of an extraordinary general meeting to consider the appointment of directors of the Company (other than the managing director) who were in office at the date of the approval of the applicable directors' report (**Spill Resolution**) at the second annual general meeting.

If more than 50% of Shareholders vote in favour of the Spill Resolution, the Company must convene the extraordinary general meeting (**Spill Meeting**) within 90 days of the second annual general meeting.

All of the Directors who were in office when the Directors' report (as included in the Company's annual financial report for the financial year ended immediately before the second annual general meeting) 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 is approved will be the Directors of the Company.

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.

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 the financial year ending 30 June 2017.

Chair voting undirected proxies

The Chair intends to exercise all undirected proxies in favour of Resolution 1. If the Chair of the Meeting is appointed as your proxy and you have not specified the way the Chair is to vote on Resolution 1, by signing and returning the Proxy Form, you are considered to have provided the Chair with an express authorisation for the Chair to vote the proxy in accordance with the Chair's intention.

3. RESOLUTION 2 - ELECTION OF DAVID WHEELER AS A DIRECTOR

Clause 12.11 of the Constitution allows the Directors to appoint at any time a person to be a Director either to fill a casual vacancy or as an addition to the existing Directors.

Pursuant to clause 12.12 of the Constitution, any Director so appointed holds office only until the next following annual general meeting and is then eligible for re-election by Shareholders but shall not be taken into account in determining the directors who are to retire by rotation (if any) at that meeting.

Mr David Wheeler, having been appointed as a director on 10 October 2017, will retire as a Director in accordance with clause 12.12 of the Constitution and being eligible, seeks re-election.

Accordingly, Resolution 2 seeks shareholder approval for the election of Mr Wheeler.

Background and qualifications

Mr Wheeler has more than 30 years of senior executive management, directorships, and corporate advisory experience. He is a foundation director and partner of Pathways Corporate, a boutique corporate advisory firm that undertakes assignments on behalf of family offices, private clients and ASX listed companies. Mr Wheeler has engaged in business projects in the USA, UK, Europe, New Zealand, China, Malaysia, and the Middle East. Mr Wheeler has experience on public and private company boards and

currently holds a number of directorships and advisory positions in Australian companies.

Directors' recommendation

The Directors support the election of Mr Wheeler as a Director and unanimously recommend Shareholders vote in favour of Resolution 2.

4. RESOLUTION 4 - RE-ELECTION OF GABRIEL CHIAPPINI AS A DIRECTOR

Clause 12.3 of the Constitution requires that at the Company's annual general meeting in every year, one-third of the Directors for the time being or, if their number is not a multiple of 3, then rounded down to the nearest whole number, shall retire from office, provided always that no Director (except a managing director) shall hold office for a period in excess of 3 years, or until the third annual general meeting following his or her appointment, whichever is the longer, without submitting himself or herself for re-election.

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

A Director who retires by rotation under clause 12.3 of the Constitution is eligible for re-election.

Mr Chiappini retires by rotation at the Meeting and, being eligible, seeks re-election.

Accordingly, Resolution 3 seeks shareholder approval for the re-election of Mr Chiappini.

Background and qualifications

Mr Chiappini is a Chartered Accountant with over 20 years' experience as a finance professional and is a member of the Australian Institute of Company Directors. For the past 10 years, Mr Chiappini has been managing a private consulting firm (Laurus Corporate Services) offering non-executive director and company secretarial services to a variety of ASX-listed companies. Mr Chiappini has extensive experience providing advice and services on equity raisings and divestment and acquisition strategies and is an experienced company director.

Directors' recommendation

The Directors support the re-election of Mr Chiappini as a Director and unanimously recommend Shareholders vote in favour of Resolution 3.

5. RESOLUTION 4 - APPROVAL OF ISSUE OF ADVISOR OPTIONS TO CPS

Resolution 4 seeks shareholder approval for the issue of 20,000,000 Advisor Options to CPS in consideration for its services to the Company pursuant to a corporate advisory mandate and on the terms set out in Schedule 1.

Requirement for shareholder approval

Listing Rule 7.1 provides that a company must not, subject to certain exceptions, issue or agree to issue more Equity Securities during any 12-month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12-month period, without the approval of shareholders. The Advisor Options are Equity Securities for the purposes of the Listing Rules.

The effect of Resolution 4 will be to allow the Company to issue the Advisor Options to CPS or its nominee(s) during the 3 months following the Meeting (or longer if ASX allows), without using the company's 15% annual placement capacity.

Required information

Pursuant to Listing Rule 7.1, the following information is provided in respect of Resolution 4:

- (a) the maximum number of Advisor Options to be issued to CPS is 20,000,000;
- (b) the Advisor Options will be issued no later than 3 months after the date of the Meeting (or such later date permitted by any ASX waiver or modification of the Listing Rules) and it is intended to issue all Advisor Options on the same date;
- (c) the Advisor Options will be issued for nil cash consideration; the Advisor Options to be issued under Resolution 4 will be issued to CPS or its nominee(s) and will not be issued to any person who is a Related Party of the Company;
- (d) the Shares to be issued on exercise of the Advisor Options 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;
- (e) the Advisor Options to be issued will be on the terms set out in Schedule 1; and
- (f) no funds will be raised by the issue of Advisor Options; however, if all Advisor Options are exercised the Company will receive \$260,000.

Directors' recommendation

The Directors unanimously recommend that Shareholders vote in favour of Resolution 4.

6. RESOLUTION 5 - APPROVAL OF ISSUE OF DIRECTOR OPTIONS TO BARNABY EGERTON-WARBURTON

Resolution 5 seeks shareholder approval for the issue of 10,000,000 Director Options to Mr Egerton-Warburton in consideration for his services to the Company as an executive director and on the terms set out in Schedule 2.

Requirement for shareholder approval

Listing Rule 7.1 provides that a company must not, subject to certain exceptions, issue or agree to issue more Equity Securities during any 12-month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12-month period, without the approval of shareholders.

However, one of those exceptions is where shareholder approval is obtained under Listing Rule 10.11. Consequently, where shareholder approval is obtained under Listing Rule 10.11, approval is not required under listing rule 7.1.

Mr Egerton-Warburton is a Director and consequently a related party of the Company within the meaning of section 228(2)(a) of the Corporations Act. Section 208 of the Corporations Act requires shareholder approval for the provision of a financial benefit to a related party. However, section 211 of the Corporations Act provides that shareholder approval is not required for these purposes where the financial benefit to be provided to the related party is “reasonable remuneration” for the purposes of section 211(1). The Directors are of the view that the issue of Director Options to Mr Egerton-Warburton is reasonable remuneration and, on that basis, Resolution 6 does not seek shareholder approval under section 208 of the Corporations Act.

Required information

Pursuant to Listing Rule 10.13, the following information is provided in respect of Resolution 5:

- (a) the related party to whom securities are to be issued under this Resolution 5 is Mr Egerton-Warburton (or his nominee);
- (b) the maximum number of Director Options to be issued to Mr Egerton-Warburton is 10,000,000;
- (c) the Director Options will be issued no later than 1 month after the date of the Meeting (or such later date permitted by any ASX waiver or modification of the Listing Rules) and it is intended to issue all Director Options on the same date;
- (d) the Director Options will be issued for nil cash consideration as they constitute a fee for service provided; the Shares to be issued on exercise of the Director Options 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;
- (e) the Director Options to be issued will be on the terms set out in Schedule 2; and

- (f) no funds will be raised by the issue of Director Options; however, if all Director Options are exercised the Company will receive \$130,000.

Directors' recommendation

The Directors (other than Mr Egerton-Warburton who declines to make a recommendation) unanimously recommend that Shareholders vote in favour of Resolution 5.

7. RESOLUTION 6 - APPROVAL OF ISSUE OF DIRECTOR OPTIONS TO GABRIEL CHIAPPINI

Resolution 6 seeks shareholder approval for the issue of 5,000,000 Director Options to Mr Chiappini in consideration for his services to the Company as a non-executive director and on the terms set out in Schedule 2.

Requirement for shareholder approval

Listing Rule 7.1 provides that a company must not, subject to certain exceptions, issue or agree to issue more Equity Securities during any 12-month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12-month period, without the approval of shareholders.

However, one of those exceptions is where shareholder approval is obtained under Listing Rule 10.11. Consequently, where shareholder approval is obtained under Listing Rule 10.11, approval is not required under listing rule 7.1.

Mr Chiappini is a Director and consequently a related party of the Company within the meaning of section 228(2)(a) of the Corporations Act. Section 208 of the Corporations Act requires shareholder approval for the provision of a financial benefit to a related party. However, section 211 of the Corporations Act provides that shareholder approval is not required for these purposes where the financial benefit to be provided to the related party is "reasonable remuneration" for the purposes of section 211(1). The Directors are of the view that the issue of Director Options to Mr Chiappini is reasonable remuneration and, on that basis, Resolution 6 does not seek shareholder approval under section 208 of the Corporations Act.

Required information

Pursuant to Listing Rule 10.13, the following information is provided in respect of Resolution 6:

- (a) the related party to whom securities are to be issued under this Resolution 6 is Mr Chiappini (or his nominee);
- (b) the maximum number of Director Options to be issued to Mr Chiappini is 5,000,000;
- (c) the Director Options will be issued no later than 1 month after the date of the Meeting (or such later date permitted by any ASX waiver or modification of the Listing Rules) and it is intended to issue all Director Options on the same date;

- (d) the Director Options will be issued for nil cash consideration as they constitute a fee for service provided; the Shares to be issued on exercise of the Director Options 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;
- (e) the Director Options to be issued will be on the terms set out in Schedule 2; and
- (f) no funds will be raised by the issue of Director Options; however, if all Director Options are exercised the Company will receive \$65,000.

Directors' recommendation

The Directors (other than Mr Chiappini who declines to make a recommendation) unanimously recommend that Shareholders vote in favour of Resolution 6.

8. RESOLUTION 7 - APPROVAL OF ISSUE OF DIRECTOR OPTIONS TO JUSTIN BARTON

Resolution 7 seeks shareholder approval for the issue of 5,000,000 Director Options to Mr Barton in consideration for his services to the Company as a non-executive director and on the terms set out in Schedule 2.

Requirement for shareholder approval

Listing Rule 7.1 provides that a company must not, subject to certain exceptions, issue or agree to issue more Equity Securities during any 12-month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12-month period, without the approval of shareholders.

However, one of those exceptions is where shareholder approval is obtained under Listing Rule 10.11. Consequently, where shareholder approval is obtained under Listing Rule 10.11, approval is not required under listing rule 7.1.

Mr Barton is a Director and consequently a related party of the Company within the meaning of section 228(2)(a) of the Corporations Act. Section 208 of the Corporations Act requires shareholder approval for the provision of a financial benefit to a related party. However, section 211 of the Corporations Act provides that shareholder approval is not required for these purposes where the financial benefit to be provided to the related party is "reasonable remuneration" for the purposes of section 211(1). The Directors are of the view that the issue of Director Options to Mr Barton is reasonable remuneration and, on that basis, Resolution 8 does not seek shareholder approval under section 208 of the Corporations Act.

Required information

Pursuant to Listing Rule 10.13, the following information is provided in respect of Resolution 7:

- (a) the related party to whom securities are to be issued under this Resolution 7 is Mr Barton (or his nominee);

- (b) the maximum number of Director Options to be issued to Mr Barton is 5,000,000;
- (c) the Director Options will be issued no later than 1 month after the date of the Meeting (or such later date permitted by any ASX waiver or modification of the Listing Rules) and it is intended to issue all Director Options on the same date;
- (d) the Director Options will be issued for nil cash consideration as they constitute a fee for service provided; the Shares to be issued on exercise of the Director Options 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;
- (e) the Director Options to be issued will be on the terms set out in Schedule 2; and
- (f) no funds will be raised by the issue of Director Options; however, if all Director Options are exercised the Company will receive \$65,000.

Directors' recommendation

The Directors (other than Mr Barton who declines to make a recommendation) unanimously recommend that Shareholders vote in favour of Resolution 7.

9. RESOLUTION 8 - APPROVAL OF ISSUE OF DIRECTOR OPTIONS TO DAVID WHEELER

Resolution 8 seeks shareholder approval for the issue of 2,000,000 Director Options to Mr Wheeler in consideration for his services to the Company as a non-executive director and on the terms set out in Schedule 2.

Requirement for shareholder approval

Listing Rule 7.1 provides that a company must not, subject to certain exceptions, issue or agree to issue more Equity Securities during any 12-month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12-month period, without the approval of shareholders.

However, one of those exceptions is where shareholder approval is obtained under Listing Rule 10.11. Consequently, where shareholder approval is obtained under Listing Rule 10.11, approval is not required under listing rule 7.1.

Mr Wheeler is a Director and consequently a related party of the Company within the meaning of section 228(2)(a) of the Corporations Act. Section 208 of the Corporations Act requires shareholder approval for the provision of a financial benefit to a related party. However, section 211 of the Corporations Act provides that shareholder approval is not required for these purposes where the financial benefit to be provided to the related party is "reasonable remuneration" for the purposes of section 211(1). The Directors are of the view that the issue of Director Options to Mr Wheeler is reasonable remuneration and, on that basis, Resolution 9 does not seek shareholder approval under section 208 of the Corporations Act.

Required information

Pursuant to Listing Rule 10.13, the following information is provided in respect of Resolution 8:

- (a) the related party to whom securities are to be issued under this Resolution 8 is Mr Wheeler (or his nominee);
- (b) the maximum number of Director Options to be issued to Mr Wheeler is 2,000,000;
- (c) the Director Options will be issued no later than 1 month after the date of the Meeting (or such later date permitted by any ASX waiver or modification of the Listing Rules) and it is intended to issue all Director Options on the same date;
- (d) the Director Options will be issued for nil cash consideration as they constitute a fee for service provided; the Shares to be issued on exercise of the Director Options 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;
- (e) the Director Options to be issued will be on the terms set out in Schedule 2; and
- (f) no funds will be raised by the issue of Director Options; however, if all Director Options are exercised the Company will receive \$26,000.

Directors' recommendation

The Directors (other than Mr Wheeler who declines to make a recommendation) unanimously recommend that Shareholders vote in favour of Resolution 8.

10. RESOLUTION 9 ~ APPROVAL FOR ADDITIONAL 10% PLACEMENT CAPACITY

ASX Listing Rule 7.1A provides that an Eligible Entity may seek Shareholder approval at its annual general meeting to allow it to issue Equity Securities up to 10% of its issued capital over a period up to 12 months after the annual general meeting (**10% Placement Capacity**).

If Shareholders approve Resolution 9, the number of Equity Securities the Eligible Entity may issue under the 10% Placement Capacity will be determined in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 (as set out below).

The effect of Resolution 9 will be to allow the Directors to issue Equity Securities up to 10% of the Company's fully paid ordinary securities on issue under the 10% Placement Capacity during the period up to 12 months after the Meeting, without subsequent Shareholder approval and without using the Company's 15% annual placement capacity granted under Listing Rule 7.1.

Resolution 9 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 9 for it to be passed.

ASX Listing Rule 7.1A

ASX Listing Rule 7.1A enables an Eligible Entity to seek shareholder approval at its annual general meeting to issue Equity Securities in addition to those under the Eligible Entity's 15% annual placement capacity.

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

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

(Eligible Entity).

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 less than \$300,000,000

Any Equity Securities issued must be in the same class as an existing class of quoted Equity Securities. The Company currently has one class of quoted Equity Securities on issue, being Shares (ASX code: ENB)

The exact number of Equity Securities that the Company may issue under an approval under Listing Rule 7.1A will be calculated as at the date of issue of the Equity Securities according to the formula **(A x D) – E**, where

- A** is the number of Shares on issue 12 months before the date of issue or agreement:
- plus** the number of Shares issued in the previous 12 months under an exception in ASX Listing Rule 7.2;
 - plus** the number of partly paid shares that became fully paid in the previous 12 months;
 - plus** the number of Shares issued in the previous 12 months with approval of holders of Shares under ASX Listing Rule 7.1 and 7.4. This does not include an issue under the entity's 15% placement capacity without shareholder approval; and
 - less** the number of Shares cancelled in the previous 12 months.

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

D is 10%.

E is the number of Equity Securities issued or agreed to be issued under 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 holders of Ordinary Securities under ASX Listing Rule 7.1 or 7.4.

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 9:

(a) Minimum price

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

- (i) the date on which the price at which the Equity Securities are to be issued is agreed; or
- (ii) if the Equity Securities are not issued within 5 ASX trading days of the date in Section 3.3(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; and
- (ii) the 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).

or such longer period if allowed by ASX.

(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 9 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 economic and dilution effect that an issue of the 10% Placement Capacity will have on existing Shareholders, calculated in accordance with the formula outlined in ASX Listing Rule 7.1A(2):

- (i) on the basis of the current market price of Shares and the current number of Shares on issue as at the date of this Notice;
- (ii) two examples where the number of ordinary securities on issue (variable "A" in the formula) has increased by 50% and 100%. The number of ordinary securities on issue may increase as a result of issues of ordinary securities that do not require Shareholder approval (for example, a pro rata entitlements

Eneabba Gas Limited Explanatory Statement

issue or scrip issued under a takeover offer) or future specific placements under Listing Rules 7.1 that are approved at a future Shareholders' meeting; and

- (iii) two examples of where the issue price of ordinary securities has decreased by 50% and increased by 100% as against the current market price.

Number of shares on issue	Dilution			
	Issue Price (per share)	0.4 cents 50% decrease in Issue Price	0.8 cents Issue Price	1.6 cents 100% increase in Issue Price
Current 501,632,187	Shares issued	50,163,219	50,163,219	50,163,219
	Funds raised	\$200,653	\$401,306	\$802,612
50% increase in current 752,448,281	Shares issued	75,244,828	75,244,828	75,244,828
	Funds raised	\$300,979	\$601,958	\$1,203,916
100% increase in current 1,003,264,374	Shares issued	100,326,437	100,326,437	100,326,437
	Funds raised	\$401,306	\$802,612	\$1,605,224

The table above uses the following assumptions:

1. The current shares on issue are the Shares on issue as at 23 October 2017.
2. The issue price set out above is the closing price of the Shares on the ASX on 19 October 2017.
3. The Company issues the maximum possible number of Equity Securities under the 10% Placement Capacity.
4. The issue of Equity Securities under the 10% Placement Capacity consists only of Shares.
5. 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.
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.
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%.

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 for the following purposes:

- (i) as cash consideration in which case the Company intends to use any funds raised towards the continued development of the Company's current Ocean Hill Gas Project, Exploration Permit 447 and the Centauri-1 Power Station project, as well as for the acquisition of new energy assets and investments and for general working capital; or
- (ii) as non-cash consideration for the acquisition of new energy assets and investments, in such circumstances the Company will provide a valuation of the non-cash consideration as required by Listing Rule 7.1A.3.

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

(e) Allocation under the 10% Placement Capacity

The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue pursuant to 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 energy assets or investments, it is likely that the recipients under the 10% Placement Capacity will be the vendors of the new energy assets or investments.

(f) Previous approval under ASX Listing Rule 7.1A

In accordance with ASX Listing Rule 7.3A.6, the Company advises that:

- (i) it received Shareholder approval for a 10% placement facility at the previous annual general meeting of the Company.
- (ii) the total number of Equity Securities issued by the Company in the 12-month period preceding the date of the Meeting is 200,652,875, which represents approximately 66.7% of the equity securities on issue at the commencement of that 12 month period;
- (iii) between 9 December 2016 and 6 March 2017, the Company issued 200,652,875 Shares to eligible Shareholders and shortfall participants in the Rights Issue. The issue price was \$0.004 and the Rights Issue raised approximately \$800,000 (before costs). The discount that the issue price represented to closing market price on the date of issue was:
 - A. in respect of Shares issued to eligible Shareholders on 9 December 2016, 33%; and
 - B. in respect of Shares issued to shortfall participants on 6 March 2017, 43%; and
- (iv) the Company has cash reserves approximately equal to the cash consideration paid for Shares under the Rights Issue; it proposes to use those funds for general working capital purposes and to explore potential investment opportunities for the Company.

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 9.

Directors' recommendation

The Directors unanimously recommend that Shareholders vote in favour of Resolution 9.

11. RESOLUTION 10 ~ RENEWAL OF PROPORTIONAL TAKEOVER PROVISIONS

Resolution 10 seeks shareholder approval for the renewal of the Constitution's proportional takeover provisions.

The Constitution currently contains provisions dealing with proportional takeover bids for shares in accordance with the Corporations Act. The provisions contained in Part 27 of the Constitution are designed to assist Shareholders to receive proper value for their shares if a proportional takeover bid is made for the Company.

Under Section 648G of the Corporations Act, these provisions must be renewed every three years. If approved, the proposed proportional takeover provisions will contain the same terms as the existing provisions and will take effect for a subsequent three (3) year period. The Corporations Act requires that the following information be provided to Shareholders when considering renewal of proportional takeover provisions in a constitution.

(a) Effect of proportional takeover provisions in the Constitution

A proportional takeover bid is one where an offer is made to each Shareholder for a proportion of that Shareholder's Shares. Under such provisions, registration of a transfer of Shares under a proportional takeover bid is prohibited unless and until a resolution to approve the bid is passed in accordance with the provisions.

If a proportional takeover bid is made for Shares, the Directors would be required to ensure that a resolution to approve the bid (**Prescribed Resolution**) is voted on, at a meeting of the holders of the class of Shares for which the bid is being made, before the 14th day before the last day of the bid period (the **Resolution Deadline**). The resolution will be passed if more than 50 per cent of votes are cast in favour of the resolution, and will otherwise be taken to be rejected. The bidder and its associates are not permitted to vote on the resolution. Each other person who, as at the end of the day on which the first offer under the bid was made, held bid class shares is entitled to vote on the resolution. If no such resolution is voted on before the Resolution Deadline, a resolution approving the takeover bid is taken to have been passed.

If a resolution to approve the bid is voted on before the Resolution Deadline and rejected, then all binding contracts resulting from acceptances of offers made under the bid are required to be rescinded by the bidder, and all unaccepted offers (and offers failing to result in binding contracts) are taken to have been withdrawn. If a resolution approving the bid is passed or taken to have been passed, the transfers resulting from the bid may be registered, provided that they comply with other applicable provisions of the Corporations Act and the Constitution.

The proportional takeover provisions would not apply to full takeover offers or to takeover offers for a class of securities other than Shares. The provisions would apply until 3 years after the date of their renewal and may then be renewed for a further term by a special resolution passed at a general meeting of the Company.

(b) Reasons for proportional bid provisions

The Directors consider that Shareholders should have the opportunity to vote on any proportional takeover bid for the Company. Without the proportional takeover provisions, a proportional takeover bid may enable control of the Company to pass without Shareholders having the opportunity to sell all their Shares to the bidder. Shareholders may therefore be at risk of passing control to the bidder without payment of an adequate control premium for all their Shares whilst leaving themselves as part of a minority interest in the Company.

The proportional takeover provisions lessen this risk because they allow Shareholders to decide whether a proportional takeover bid is acceptable and should be permitted to proceed. A benefit of the provisions is that Shareholders are able to collectively decide whether the proportional offer is acceptable in principle and it may ensure that any partial offer is appropriately priced.

(c) No knowledge of any acquisition proposals

As at the date of this Notice, no Director is aware of any proposal by any person to acquire, or to increase the extent of a substantial interest in the Company.

(d) Review of effect of proportional takeover approval provisions

Section 648G(5)(c) of the Corporations Act requires that shareholders be given a statement that examines the advantages and disadvantages, for directors and shareholders, of the proportional takeover provisions proposed to be reinstated.

During the period that proportional takeover provisions have been in effect under Part 27 of the Constitution, there were no takeover bids for Shares, either proportional or otherwise. Accordingly, there are no examples against which to review the advantages or disadvantages of those proportional takeover provisions for the Directors and Shareholders. The Board is not aware of any potential takeover bid that was deterred by the inclusion of proportional takeover provisions in the Constitution. It follows that the board was not aware of any advantages nor disadvantages of the proportional takeover provisions in the past.

(e) Potential advantages and disadvantages of reinstating proportional takeover provisions

Section 648G(5)(g) of the Corporations Act requires shareholders to be given a statement of the potential future advantages and disadvantages of the provisions.

The Directors consider that the proportional takeover provisions have no potential advantages or disadvantages for them and that they remain free to make a recommendation on whether an offer under a proportional takeover bid should be accepted.

The potential advantages of the proportional takeover provisions for Shareholders include:

- (i) the right to decide by majority vote whether an offer under a proportional takeover bid should proceed;

Eneabba Gas Limited
Explanatory Statement

- (ii) assisting in preventing Shareholders from being locked in as a minority;
- (iii) increasing the bargaining power of Shareholders which may assist in ensuring that any proportional takeover bid is adequately priced; and
- (iv) each Shareholder may better assess the likely outcome of the proportional takeover bid by knowing the view of the majority of Shareholders which may assist in deciding whether to accept or reject an offer under the takeover bid.

The potential disadvantages of the proportional takeover provisions for Shareholders include:

- (v) proportional takeover bids may be discouraged;
- (vi) lost opportunity to sell a portion of their shares at a premium; and
- (vii) the likelihood of a proportional takeover bid succeeding may be reduced.

Directors' recommendation

The Directors unanimously recommend that Shareholders vote in favour of Resolution 10.

11. ENQUIRIES

Shareholders are required to contact the Managing Director on (+61 2) 8003 3438 if they have any queries in respect of the matters set out on these documents.

GLOSSARY

\$ means Australian dollars.

Advisor Options means Options to be issued to CPS or its nominee(s) on the terms and conditions set out in Schedule 2.

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

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited.

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.

Chairman means the person appointed to chair 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).

Company means Eneabba Gas Limited ACN 107 385 884. **Constitution** means the Company's constitution.

Corporations Act means the Corporations Act 2001 (Cth).

CPS means CPS Capital Group Pty Ltd ACN 088 055 636.

Director means a director of the Company.

Director Options means Options to be issued to the Directors or their nominees on the terms and conditions set out in Schedule 1.

Directors' Report means the annual directors' report for 2017, prepared under Chapter 2M of the Corporations Act for the Company and its controlled entities.

Equity Securities has the meaning given to that term in the Listing Rules.

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

Key Management Personnel or **KMP** has the same meaning as in the accounting standards and broadly includes those persons having authority and responsibility for planning, directing

Eneabba Gas Limited
Explanatory Statement

and controlling the activities of the Company, directly or indirectly, including any director (whether executive or otherwise) of the Company.

Listing Rules means the listing rules of ASX.

Notice of Meeting or **Notice** means this notice of annual general meeting including the Explanatory Statement.

Officer means any Director or such other person within the meaning of that term as defined by the Corporations Act.

Option means an option to acquire a Share.

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 2016.

Resolution means a resolution set out in the Notice of Meeting.

Rights Issue means the issue of Shares pursuant to the Company's non-renounceable entitlement offer dated 15 November 2016.

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

Shareholder means a holder of a Share.

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

SCHEDULE 1 – TERMS OF ADVISOR OPTIONS

1. Entitlement

The Advisor Options entitle the holder to subscribe for one Share upon the exercise of each Advisor Option.

2. Exercise price

The exercise price for each Advisor Option is \$0.013 (**Exercise Price**).

3. Expiry date

The expiry date of each Advisor Option is three years from the date of issue (**Expiry Date**).

4. Exercise period

The Advisor Options are exercisable at any time on or prior to the Expiry Date.

5. Notice of exercise

The Advisor Options may be exercised by notice in writing to the Company (**Notice of Exercise**) and payment of the Exercise Price for each Advisor Option being exercised. Any Notice of Exercise of an Advisor Option received by the Company will be deemed to be a notice of the exercise of that Advisor Option as at the date of receipt.

6. Shares issued on exercise

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

7. Options not quoted

The Company will not apply to ASX for quotation of the Advisor Options.

8. Quotation of Shares on exercise

Application will be made by the Company to ASX for official quotation of the Shares issued upon the exercise of the Advisor Options.

9. Timing of issue of Shares

After an Advisor Option is validly exercised, the Company must as soon as possible following receipt of the Notice of Exercise and receipt of cleared funds equal to the sum payable on the exercise of the Advisor Option:

- (a) issue the Share;
- (b) 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

Eneabba Gas Limited
Schedule 1 – terms of Advisor Options

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

- (c) do all such acts, matters and things to obtain the grant of quotation for the Share on ASX no later than 5 days from the date of exercise of the Advisor Option.

10. Participation in new issues

There are no participation rights or entitlements inherent in the Advisor Options and the holder will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Advisor Options.

11. Reorganisation of share capital

In the event of a reorganisation (including consolidation, subdivision, reduction or return) of the issued capital of the Company, all rights of holders of Advisor Options shall be changed to the extent necessary to comply with the Corporations Act and the Listing Rules applying to a reorganisation of capital at the time of the reorganisation.

12. Adjustment for bonus issues of Shares

If the Company makes a bonus issue of Shares or other securities to existing Shareholders (other than an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment):

- (a) the number of Shares which must be issued on the exercise of an Advisor Option will be increased by the number of Shares which the option holder would have received if the option holder had exercised the Advisor Option before the record date for the bonus issue; and
- (b) no change will be made to the Exercise Price

SCHEDULE 2 – TERMS OF DIRECTOR OPTIONS

1. Entitlement

The Director Options entitle the holder to subscribe for one Share upon the exercise of each Director Option.

2. Exercise price

The exercise price for each Director Option is \$0.013 (**Exercise Price**).

3. Expiry date

The expiry date of each Director Option is three years from the date of issue (**Expiry Date**).

4. Exercise period

The Director Options are exercisable at any time on or prior to the Expiry Date.

5. Notice of exercise

The Director Options may be exercised by notice in writing to the Company (**Notice of Exercise**) and payment of the Exercise Price for each Director Option being exercised. Any Notice of Exercise of a Director Option received by the Company will be deemed to be a notice of the exercise of that Director Option as at the date of receipt.

6. Shares issued on exercise

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

7. Options not quoted

The Company will not apply to ASX for quotation of the Director Options.

8. Quotation of Shares on exercise

Application will be made by the Company to ASX for official quotation of the Shares issued upon the exercise of the Director Options.

9. Timing of issue of Shares

After a Director Option is validly exercised, the Company must as soon as possible following receipt of the Notice of Exercise and receipt of cleared funds equal to the sum payable on the exercise of the Director Option:

- (a) issue the Share;
- (b) 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 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

- (c) do all such acts, matters and things to obtain the grant of quotation for the Share on ASX no later than 5 days from the date of exercise of the Director Option.

10. Participation in new issues

There are no participation rights or entitlements inherent in the Director Options and the holder will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Director Options.

11. Reorganisation of share capital

In the event of a reorganisation (including consolidation, subdivision, reduction or return) of the issued capital of the Company, all rights of holders of Director Options shall be changed to the extent necessary to comply with the Corporations Act and the Listing Rules applying to a reorganisation of capital at the time of the reorganisation.

12. Adjustment for bonus issues of Shares

If the Company makes a bonus issue of Shares or other securities to existing Shareholders (other than an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment):

- (a) the number of Shares which must be issued on the exercise of a Director Option will be increased by the number of Shares which the option holder would have received if the option holder had exercised the Director Option before the record date for the bonus issue; and
- (b) no change will be made to the Exercise Price

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ENEABBA GAS LIMITED

ACN: 107 385 884

REGISTERED OFFICE:

GROUND FLOOR
16 ORD STREET
WEST PERTH WA 6005

+

«EFT_REFERENCE_NUMBER»



«Post_zone»
«Company_code» «Sequence_number»

«Holder_name»
«Address_line_1»
«Address_line_2»
«Address_line_3»
«Address_line_4»
«Address_line_5»

SHARE REGISTRY:

Security Transfer Australia Pty Ltd
All Correspondence to:
PO BOX 52
Collins Street West VIC 8007
Suite 913, Exchange Tower
530 Little Collins Street
Melbourne VIC 3000
T: 1300 992 916 F: +61 8 9315 2233
E: registrar@securitytransfer.com.au
W: www.securitytransfer.com.au

Code:

Holder Number:

PROXY FORM

THIS DOCUMENT IS IMPORTANT. IF YOU ARE IN DOUBT AS TO HOW TO DEAL WITH IT, PLEASE CONTACT YOUR STOCK BROKER OR LICENSED PROFESSIONAL ADVISOR.

VOTE ONLINE	Lodge your proxy vote securely at www.securitytransfer.com.au	<input type="text" value="«ONLINE»"/>
	1. Log into the Investor Centre using your holding details. 2. Click on "Proxy Voting" and provide your Online Proxy ID to access the voting area.	

SECTION A: Appointment of Proxy

I/We, the above named, being registered holders of the Company and entitled to attend and vote hereby appoint:

The meeting chairperson **OR**

or failing the person named, or if no person is named, the Chairperson 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, as the Proxy sees fit) at the Annual General Meeting of the Company to be held at 9:00am WST on Thursday 23 November 2017 at 50 ORD STREET, WEST PERTH, WESTERN AUSTRALIA and at any adjournment of that meeting.

SECTION B: Voting Directions

Please mark "X" in the box to indicate your voting directions to your Proxy. The Chairperson of the Meeting intends to vote undirected proxies in FAVOUR of all the resolutions. In exceptional circumstances, the Chairperson of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

RESOLUTION	For	Against	Abstain*		For	Against	Abstain*
1. ADOPTION OF REMUNERATION REPORT	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	7. APPROVAL FOR THE ISSUE OF DIRECTOR OPTIONS TO JUSTIN BARTON	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. ELECTION OF DAVID WHEELER AS DIRECTOR	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	8. APPROVAL FOR THE ISSUE OF DIRECTOR OPTIONS TO DAVID WHEELER	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. RE-ELECTION OF GABRIEL CHIAPPINI AS DIRECTOR	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	9. APPROVAL FOR ADDITIONAL 10% PLACEMENT CAPACITY	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. APPROVAL FOR THE ISSUE OF ADVISOR OPTIONS TO CPS	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	10. RENEWAL OF PROPORTIONAL TAKEOVER PROVISIONS	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. APPROVAL FOR THE ISSUE OF DIRECTOR OPTIONS TO BARNABY EGERTON-WARBURTON	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
6. APPROVAL FOR THE ISSUE OF DIRECTOR OPTIONS TO GABRIEL CHIAPPINI	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				

If no directions are given my proxy may vote as the proxy thinks fit or may abstain. * If you mark the Abstain box for a particular item, you are directing your Proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

SECTION C: Signature of Security Holder(s)

This section must be signed in accordance with the instructions overleaf to enable your directions to be implemented.

Individual or Security Holder <input type="text"/> Sole Director & Sole Company Secretary	Security Holder 2 <input type="text"/> Director	Security Holder 3 <input type="text"/> Director/Company Secretary
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Proxies must be received by Security Transfer Australia Pty Ltd no later than 9:00am WST on Tuesday 21 November 2017.



My/Our contact details in case of enquiries are:

Name:

Number:

1. NAME AND ADDRESS

This is the name and address on the Share Register of the Company. If this information is incorrect, please make corrections on this form. Shareholders sponsored by a broker should advise their broker of any changes. Please note that you cannot change ownership of your shares using this form.

2. APPOINTMENT OF A PROXY

If the person you wish to appoint as your Proxy is someone other than the Chairperson of the Meeting please write the name of that person in Section A. If you leave this section blank, or your named Proxy does not attend the meeting, the Chairperson of the Meeting will be your Proxy. A Proxy need not be a shareholder of the Company.

3. DIRECTING YOUR PROXY HOW TO VOTE

To direct the Proxy how to vote place an "X" in the appropriate box against each item in Section B. Where more than one Proxy is to be appointed and the proxies are to vote differently, then two separate forms must be used to indicate voting intentions.

4. APPOINTMENT OF A SECOND PROXY

You are entitled to appoint up to two (2) persons as proxies to attend the meeting and vote on a poll. If you wish to appoint a second Proxy, an additional Proxy form may be obtained by contacting the Company's share registry or you may photocopy this form.

To appoint a second Proxy you must:

- a) On each of the Proxy forms, state the percentage of your voting rights or number of securities applicable to that form. If the appointments do not specify the percentage or number of votes that each Proxy may exercise, each Proxy may exercise half of your votes; and
- b) Return both forms in the same envelope.

5. 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 must sign.

Power of Attorney: to sign under Power of Attorney you must have already lodged this document with the Company's share registry. If you have not previously lodged this document for notation, 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 may sign alone. Otherwise this form must be signed by a Director jointly with either another Director or Company Secretary. Please indicate the office held in the appropriate place.

If a representative of the corporation is to attend the meeting the appropriate "Certificate of Appointment of Corporate Representative" should be lodged with the Company before the meeting or at the registration desk on the day of the meeting. A form of the certificate may be obtained from the Company's share registry.

6. LODGEMENT OF PROXY

Proxy forms (and any Power of Attorney under which it is signed) must be received by Security Transfer Australia Pty Ltd no later than the date and time stated on the form overleaf. Any Proxy form received after that time will not be valid for the scheduled meeting.

The proxy form does not need to be returned to the share registry if the votes have been lodged online.

Security Transfer Australia Pty Ltd

Online www.securitytransfer.com.au

Postal Address PO BOX 52
Collins Street West VIC 8007

Street Address Suite 913, Exchange Tower
530 Little Collins Street
Melbourne VIC 3000

Telephone 1300 992 916

Facsimile +61 8 9315 2233

Email registrar@securitytransfer.com.au

PRIVACY STATEMENT

Personal information is collected on this form by Security Transfer Australia Pty Ltd as the registrar for securities issuers for the purpose of maintaining registers of security holders, facilitating distribution payments and other corporate actions and communications. Your personal details may be disclosed to related bodies corporate, to external service providers such as mail and print providers, or as otherwise required or permitted by law. If you would like details of your personal information held by Security Transfer Australia Pty Ltd or you would like to correct information that is inaccurate please contact them on the address on this form.

