



CENTRAL PETROLEUM LIMITED

ACN 083 254 308

NOTICE OF ANNUAL GENERAL MEETING

TIME: 11am (Brisbane time)

DATE: Wednesday, 29 November 2017

PLACE: Christie Conference Centre
Morgan Room
Level 1, 320 Adelaide Street
Brisbane QLD 4000

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

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on (+61 7) 3181 3800.

CONTENTS

Business of the Meeting (setting out the proposed Resolutions)	3
Explanatory Statement (explaining the proposed Resolutions)	6
Glossary	18

IMPORTANT INFORMATION

Time and place of Meeting

Notice is given that the Meeting will be held at 11am (Brisbane time) on Wednesday, 29 November 2017 at:

Christie Conference Centre
Morgan Room
Level 1, 320 Adelaide Street
Brisbane QLD 4000

Your vote is important

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

Voting eligibility

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) and ASX Settlement Operating Rule 5.6.1, that the persons eligible to vote at the Meeting are those who are registered Shareholders at 7.00pm (Sydney time) on Monday, 27 November 2017.

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 each proxy may exercise, then in accordance with section 249X(3) of the Corporations Act, each proxy may exercise one-half of the votes.

If a Proxy Form is signed by an attorney, the original or a certified copy of the power of attorney or other authority under which the Proxy Form is signed must be sent with the Proxy Form.

Voting exclusions

The Corporations Act and the ASX Listing Rules require that certain persons must not vote, and the Company must disregard any votes cast by or on behalf of certain persons on some of the resolutions to be considered at the Meeting. Details of the applicable voting exclusions for a proposed Resolution are set out immediately after that Resolution in the section of this Notice entitled 'Business of the Meeting'.

The Company will also apply these voting exclusions to persons appointed as attorney by a Shareholder to attend and vote at the Meeting under a power of attorney, as if they were appointed as a proxy.

Undirected proxies

The Chair intends to vote undirected proxy votes in favour of all resolutions (subject to the voting exclusions specified in this Notice).

Voting by corporate representative

A Shareholder or proxy which is a corporation and entitled to attend and vote at the Meeting may appoint an individual to act as its corporate representative to vote at the Meeting. The appointment must comply with section 250D of the Corporations Act. The representative should bring to the Meeting evidence of his or her appointment unless it has previously been provided to the Company's share registry.

Voting by attorney

A Shareholder entitled to attend and vote at the Meeting is entitled to appoint an attorney to attend and vote at the Meeting on the Shareholder's behalf. An attorney need not themselves be a Shareholder.

The power of attorney appointing the attorney must be signed and specify the name of each of the Shareholder, the Company and the attorney, and also specify the meeting(s) at which the appointment may be used. The appointment may be a standing one.

To be effective, the power of attorney must also be returned in the same manner, and by the same time, as specified for Proxy Forms.

BUSINESS OF THE MEETING

AGENDA

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 Director's Report and the Auditor's Report.

1. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

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

"That, for the purposes of section 250R(2) of the Corporations Act and for all other purposes, approval is given for the adoption of the Remuneration Report as contained in the Company's annual financial report for the financial year ended 30 June 2017."

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

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

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

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

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

2. RESOLUTION 2 – RE-ELECTION OF DIRECTOR – WRIXON FRANK GASTEEN

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

"That, Wrixon Frank Gasteen, a Director, retires by rotation in accordance with the Constitution and the ASX Listing Rules, and being eligible offers himself for election as a Director, is re-elected as a Director."

3. RESOLUTION 3 – RE-ELECTION OF DIRECTOR – MARTIN DOUGLAS EBERLEIN KRIEWALDT

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

"That, Martin Douglas Eberlein Kriewaldt, a Director appointed by the Board since the last general meeting of the Company retires in accordance with the Constitution and the ASX Listing Rules, and being eligible, is re-elected as a Director."

4. RESOLUTION 4 – RE-ELECTION OF DIRECTOR – SARAH RYAN

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

"That, Sarah Ryan, a Director appointed by the Board since the last general meeting of the Company retires in accordance with the Constitution and the ASX Listing Rules, and being eligible, is re-elected as a Director."

5. RESOLUTION 5 – RATIFICATION OF PRIOR ISSUE – 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 ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 92,000,980 Shares on the terms and conditions set out in the Explanatory Statement."

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

6. RESOLUTION 6 – APPROVAL OF ISSUE UNDER EMPLOYEE RIGHTS PLAN TO RICHARD IAN COTTEE

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

"That:

- (a) for the purposes of ASX Listing Rule 10.14 and for all other purposes, the issue of up to 1,854,229 Share Rights to Richard Ian Cottee (or his nominee); and*
- (b) for the purpose of Part 2D.2 of the Corporations Act, the giving of a benefit to Richard Ian Cottee in connection with any early vesting of those Share Rights on his retirement from a managerial or executive office (within the meaning of section 200AA of the Corporations Act) in the Company or a related body corporate of the Company,*

in each case under the Company's Employee Rights Plan, and on the terms described in the Explanatory Statement, is approved."

Voting Exclusion: The following persons may not vote, and the Company will disregard any votes cast by the following persons, on this Resolution:

- (a) Mr Richard Ian Coffee and any of his associates; and
- (b) any member of the Key Management Personnel and any Closely Related Party of such a member, to the extent in either case that they are acting as a proxy.

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

- (c) the voter is appointed as a proxy by writing that specifies the way the proxy is to vote on this Resolution; or
- (d) the voter is the Chair (but is not Mr Richard Ian Coffee or any of his associates) and the appointment of the Chair as proxy:
 - (i) does not specify the way the proxy is to vote on this Resolution; and
 - (ii) expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel,

and, where the Chair is a Director who is eligible to participate in the Employee Rights Plan, the Chair casts the vote in accordance with a direction in the proxy appointment to vote as the proxy decides.

Dated: 27 October 2017
By order of the Board



JOSEPH PATRICK MORFEA
COMPANY SECRETARY

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.

FINANCIAL STATEMENTS AND REPORTS

In accordance with section 317 of the Corporations Act, the business of the Meeting will include receipt and consideration of the Annual Financial Report of the Company for the Financial Year ended 30 June 2017 together with the Directors' Report and the Auditor's Report.

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

1. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

1.1 General

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

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

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

1.2 Directors' recommendation

Noting that each Director has a personal interest in their own remuneration from the Company (as described in the Remuneration Report) and that each Director (or any Closely Related Party of a Director) is excluded from voting their Shares on the Resolution (as described in the 'Voting Exclusion' paragraph set out immediately after this Resolution in the section of this Notice entitled 'Business of the Meeting'), **ALL** Directors recommend that Shareholders **VOTE IN FAVOUR** of Resolution 1.

2. RESOLUTION 2 – RE-ELECTION OF DIRECTOR – WRIXON FRANK GASTEEN

2.1 General

The ASX Listing Rules require the Company to hold an election of Directors each year.

Clause 13.2 of the Constitution also provides that:

- (a) 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 the number nearest one-third (rounded upwards in case of doubt), 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;

- (b) 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;
- (c) A Director who retires by rotation under clause 13.2 of the Constitution is eligible for re-election; and
- (d) In determining the number of Directors to retire, no account is to be taken of:
 - (i) a Director who only holds office until the next annual general meeting pursuant to clause 13.4 of the Constitution; and/or
 - (ii) a Managing Director,

each of whom are exempt from retirement by rotation. However, if more than one Managing Director has been appointed by the Directors, only one of them (nominated by the Directors) is entitled to be excluded from any determination of the number of Directors to retire and/or retirement by rotation.

2.2 Background on Wrixon Frank Gasteen

Mr Gasteen is a Director and co-founder of Ikon Corporate (Singapore), established in 2007 to provide corporate advisory, capital raising and management consulting services. He has over 20 years' experience in the mining and resources industries in Australia and Asia.

Mr Gasteen has been CEO and Director of both listed and private companies in Australia, Asia, and the United States, and is a senior advisor to Australian companies. As CEO and Director of Hong Leong Asia Limited, listed on the Singapore Stock Exchange (SGX: HLA), he transformed the company through acquisitions and organic growth from a loss maker to a highly profitable conglomerate with \$2.2 billion in sales, 80% of which were in China and the remainder in SE Asia. During his term as CEO, he was presented with two successive annual awards by the Securities Investors Association of Singapore (SIAS), recognizing Hong Leong Asia for its effort in demonstrating corporate transparency. The BRW ranked Mr Gasteen No.3 in their Top 20 Australians Managing in Asia. He was appointed Non-Executive Director of Sino Australia Oil and Gas in March 2014, resigning in 2015.

Mr Gasteen was first appointed a Director of the Company on 22 June 2012.

2.3 Directors' recommendation

ALL Directors (with the candidate abstaining) recommend that Shareholders **VOTE IN FAVOUR** of Resolution 2.

3. RESOLUTION 3 – RE-ELECTION OF DIRECTOR – MARTIN DOUGLAS EBERLEIN KRIEWALDT

3.1 General

Clause 13.4 of the Constitution allows the Directors to appoint at any time a person to be a Director as an addition to the existing Directors, but only where the total number of Directors does not at any time exceed the maximum number specified by the Constitution.

Any Director so appointed holds office only until the next following general meeting and is then eligible for re-election.

Mr Kriewaldt was appointed by the other Directors as an addition to the Board on 23 October 2017.

Mr Kriewaldt will retire in accordance with clause 13.4 of the Constitution and, being eligible, seeks re-election.

3.2 Background on Martin Douglas Eberlein Kriewaldt

Martin Kriewaldt is a professional company director with over 25 years' experience.

He is Chairman of unlisted Hyne Timber and XLam and their holding company Mayflower Enterprises.

He is a Life Fellow of the Australian Institute of Company Directors, serves on its Corporate Governance Committee and is Chair of an AICD Nexus group as well as a Mentor in the AICD mentoring programme for women. He is a past President of the Institute of Company Directors (Queensland Division) and has been awarded the AICD Gold Medal.

He was previously Chairman of Suncorp, Infratil Australia, Suncorp Property Trust and Thin Technologies, and was a director of listed entities including Campbell Brothers, Oil Search, Macarthur Coal, GWA, ImpediMed, BrisConnections and QDL

He has also been the Chairman or a Director of a number of unlisted companies including Suncorp Building Society, Suncorp Finance, Hooker Corporation, Graham and Company and Golding Contractors, as well as the national board of AICD.

In addition to these roles, he has chaired Board Sub-Committees for Audit, Risk, Environment, Remuneration, Investment, Corporate Governance, Corporate Advisory and Nominations. He has also served as a Deputy Chairman and Lead Independent Director.

He was Chairman of Opera Queensland and has also served on a number of other not-for-profit boards, including the Senate of the University of Queensland.

Previously, Martin was a Partner of Allen Allen & Hemsley (now Allens Linklaters) for 25 years specialising in banking and insurance, mining, oil and gas and construction.

3.3 Directors' recommendation

ALL Directors (with the candidate abstaining) recommend that Shareholders **VOTE IN FAVOUR** of Resolution 3.

4. RESOLUTION 4 – RE-ELECTION OF DIRECTOR – SARAH RYAN

4.1 General

Clause 13.4 of the Constitution allows the Directors to appoint at any time a person to be a Director as an addition to the existing Directors, but only where the total number of Directors does not at any time exceed the maximum number specified by the Constitution.

Any Director so appointed holds office only until the next following general meeting and is then eligible for re-election.

Dr Ryan was appointed by the other Directors as an addition to the Board on 23 October 2017.

Dr Ryan will retire in accordance with clause 13.4 of the Constitution and, being eligible, seeks re-election.

4.2 Background on Sarah Ryan

Dr Sarah Ryan is a professional company director and seasoned professional with over 25 years' local and international experience primarily in the oil and gas industry.

Dr Ryan currently holds non-executive directorships with Woodside Petroleum Ltd, Kinetic Consolidated Pty Ltd and Akastor ASA (Oslo, Norway). Previous positions include non-executive director of Aker Solutions ASA (Oslo, Norway) and Advisor-Energy to Earnest Partners (Atlanta, USA). In addition, she is Advisor to the Chairman of Saxo Bank A/S (Copenhagen, Denmark) and Chair of the Advisory Board of Uearthed Solutions.

During her career, Dr Ryan was Investment Director and Portfolio Manager at Earnest Partners, an Atlanta based investment management firm, Chief Operating Officer of MTEM Ltd (Edinburgh, UK), General Manager of Asset Management for AGL (Sydney, Australia) and held various technical, operational and executive positions with Schlumberger, both in Australia and overseas, during a 15 year tenure.

Dr Ryan holds a PhD in Petroleum Geology and Geophysics, a BSc (First Class Honours) in Geophysics, and a BSc in Geology. In addition, she is a Fellow of the Australian Academy of Technology and Engineering, Fellow of the Institute of Energy, Member of the Australian Institute of Company Directors, Member of Women Corporate Directors, and Member of Chief Executive Women.

4.3 Directors' recommendation

ALL Directors (with the candidate abstaining) recommend that Shareholders **VOTE IN FAVOUR** of Resolution 4.

5. RESOLUTION 5 – RATIFICATION OF PRIOR ISSUE – SHARES

5.1 General

On 10 August 2017, the Company announced the successful completion of a placement to institutional and sophisticated investors to raise approximately \$9.2 million (the **Placement**) and a pro rata non-renounceable entitlement offer to raise approximately \$18 million (the **Entitlement Offer**), together raising approximately \$27.2 million before expenses (the **Equity Raising**),

On 17 August 2017, the Company issued 92,000,980 Shares under the Placement at an issue price of \$0.10 per Share.

On 8 September 2017, the Company issued 180,499,020 Shares under the Entitlement Offer at an issue price of \$0.10 per Share.

ASX granted the Company a waiver from ASX Listing Rule 7.1 in connection with the Equity Raising, to the extent necessary to permit the Company to calculate the number Shares which it may issue without shareholder approval pursuant to the Placement, on the basis that variable "A" of the formula in ASX Listing Rule 7.1 is deemed to include the number of Shares issued under the Entitlement Offer.

One of the conditions of this waiver is that the Shares issued under the Placement are to be included in variable "C" in the formula under ASX Listing Rule 7.1 until their issue has been ratified by shareholders or 12 months has passed since their issue.

In order to satisfy this ASX waiver condition, Resolution 5 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of the Shares issued under the Placement.

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

ASX Listing Rule 7.4 sets out an exception to ASX Listing Rule 7.1. It provides that where a company's shareholders subsequently approve (ratify) a previous issue of securities made without approval under ASX Listing Rule 7.1 (and provided that the previous issue did not breach ASX Listing Rule 7.1) those securities will be treated as having been made with shareholder approval for the purpose of ASX Listing Rule 7.1.

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

5.2 Technical information required by ASX Listing Rule 7.5

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to Resolution 5:

- (a) 92,000,980 Shares were issued under the Placement;
- (b) the issue price was \$0.10 per Share;
- (c) the Shares issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (d) the Shares were issued to institutional and sophisticated investors; and
- (e) as announced to the ASX on 10 August 2017, the funds raised from the issue of these Shares, together with the Shares issued under the Entitlement Offer, are intended to fund a \$25 million drilling programme comprising a total of four horizontal wells, with no intention of fracking, with the objective of substantially increasing the Company's gas reserves in time to have delivery coincide with the Northern Gas Pipeline ("NGP") becoming operational in the 2nd half of calendar year 2018.

5.3 Directors' recommendation

ALL Directors recommend that Shareholders **VOTE IN FAVOUR** of Resolution 5.

6. RESOLUTION 6 – APPROVAL OF ISSUE UNDER EMPLOYEE RIGHTS PLAN TO RICHARD IAN COTTEE

6.1 General

The Company intends to issue up to 1,854,229 Share Rights under the Company's Employee Rights Plan (**Share Rights**) to Mr Richard Ian Cottee, the Managing Director and Chief Executive Officer of the Company (or his nominee), as a long term performance incentive.

The 1,854,229 Share Rights comprise:

- (a) 18,319 Share Rights with coverage under the Company's Long Term Incentive Plan Policy for the Plan Year commencing 1 July 2014 (**2014 LTIP**) and otherwise the terms described in this Explanatory Statement (**2014 Share Rights**); and
- (b) 1,835,910 Share Rights with coverage under the Company's Long Term Incentive Plan Policy for the Plan Year commencing 1 July 2017 (**2017 LTIP**) and otherwise the terms described in this Explanatory Statement (**2017 Share Rights**).

At the 2015 Annual General Meeting held on 2 November 2015, Shareholders approved issuing Mr Richard Ian Cottee (or his nominee), 3,827,746 "Future Share Rights" under the Company's Employee Rights Plan and Long Term Incentive Plan for the Plan Year commencing 1 July 2015 (**2015 LTIP**) to cover Plan Years commencing 1 July 2016 and 1 July 2017 (**Future Share Rights**). Future Share Rights are to be issued on the occurrence, of a 'change of control event' (described below), or if the Board determines in its absolute discretion that a 'change of control event' is likely to occur. The Future Share Rights are not subject to any performance criteria and will immediately vest at 100% on issue in which case Shares will be allocated subject to the valid exercise of those Share Rights.

The number of Future Share Rights issued to Mr Cottee was determined in accordance with the formula set out in the Company's 2015 LTIP being the number equal to 200% of Mr Cottee's 2015 LTIP Share Rights, which equated to the balance of the term of Mr Cottee's employment contract which expires 30 June 2018. As such after the 1 July 2015 commencement of the 2015 LTIP, the Future Share Rights covered the 2016 Plan Year and 2017 Plan Year.

If Shareholder approval is obtained the Company intends to enter into an agreement with Mr Cottee to implement the approval to issue the 2014 Share Rights and the 2017 Share Rights, which agreement will include (without limitation):

- (a) Mr Cottee (or his nominee, as applicable) waiving rights to 1,913,873 Future Share Rights allocated to the 2017 Plan Year, causing them to lapse (resulting in Mr Cottee (or his nominee, as applicable) retaining nil Future Share Rights); and

- (b) other provisions that once the applicable vesting conditions attaching to the 2014 Share Rights and the 2017 Share Rights are satisfied or waived, Mr Cottee will be entitled to one Share for each Share Right subject to the valid exercise of those Share Rights by Mr Cottee.

References in this section 6 to (i) Mr Cottee's Plan Offer, (ii) the issue of Share Rights or, on exercise of those Share Rights, Shares to Mr Cottee, (iii) Mr Cottee as the holder of Share Rights or, on exercise of those Share Rights, Shares or as being entitled to the cash value of those Share Rights, should in each case be read as Mr Cottee's nominee in circumstances where Mr Cottee has renounced an offer of Share Rights under the Employee Rights Plan in favour of a permitted nominee.

Shareholder approval is being sought for the issue to Mr Cottee of 1,854,229 Share Rights under the Employee Rights Plan, for all purposes under the Corporations Act and the ASX Listing Rules.

6.2 Disclosures required under ASX Listing Rule 10.15A

ASX Listing Rule 10.15A requires this Notice of Meeting to include the following specified information in relation to the Share Rights which are proposed to be issued to Mr Cottee under the Employee Rights Plan. The performance measures relating to these Share Rights are described below.

(a) Date the securities will be provided

If approved by the Shareholders, the Share Rights will be issued to Mr Cottee as soon as practicable after the Meeting but, in any event, not later than 3 years after the Meeting.

(b) Maximum number of securities to be provided

The maximum number of Share Rights to be issued to Mr Cottee under the Employee Rights Plan pursuant to Resolution 6 is 1,854,229. If the Share Rights vest and are exercised, the Share Rights will deliver an equivalent number of Shares in the Company to Mr Cottee.

The number of 2014 Share Rights to be issued to Mr Cottee was determined by the Board as an adjustment to the number of existing Share Rights with coverage under 2014 LTIP previously issued to Mr Cottee, in accordance with the Company's Employee Rights Plan and the Company's Long Term Incentive Plan Policy.

The number of 2017 Share Rights to be issued to Mr Cottee was determined by reference to the 'LTIP Percentage' for the relevant Plan Year outlined in his Plan Offer, as determined by the Board. The terms of the 2017 LTIP provide coverage for various levels of eligible employees up to an LTIP Percentage of 30%. The Board has determined to waive this term of the 2017 LTIP in respect of Mr Cottee and instead has allocated him an LTIP Percentage of 50% for the purposes of calculating his 2017 Share Rights.

The number of 2017 Share Rights to be issued to Mr Cottee was determined by reference to Mr Cottee's LTIP Percentage multiplied by Mr Cottee's base salary remuneration (excluding superannuation, and any bonus or other incentive amount) for the Plan Year commencing 1 July 2017, divided by the VWAP calculated immediately prior to the commencement of this Plan Year.

In respect of the Share Rights, extended periods of leave and changes to base salary may affect the calculation of the number of Share Rights calculated for a Plan Year.

(c) **The price of the securities, performance criteria and other matters**

No price for grant or exercise

No amount is payable on the grant or exercise of these Share Rights.

Performance criteria – 2014 Share Rights and 2017 Share Rights

Both the 2014 Share Rights and 2017 Share Rights are subject to two performance hurdles (described below), each with 50% weighting. The performance period for determining the maximum number of Share Rights are available for vesting is the 3 year period commencing as the start of the relevant Plan Year and ending 30 June 3 years later. In circumstances where the Board deems appropriate, to the extent that the performance hurdles are not 100% met in the applicable performance period, the Board may determine to conduct one re-test of performance as at 31 December of the same year as the original performance measure. The re-testing performance period will be the same as the original period plus the 6 months to the end of December. To the extent that the re-test results in a better performance than the original testing, the number of Share Rights as determined by the re-testing will be available for vesting.

The vesting date for Share Rights that are available for vesting is the last day of the applicable performance period (the **Vesting Date**).

In accordance with the terms of the Employee Rights Plan, the Board has a discretion to waive the performance criteria prescribed in Mr Cottee's Plan Offer prior to the expiry date for the Share Rights.

If the performance criteria are not wholly satisfied prior to the expiry date, Mr Cottee's rights in relation to those Share Rights will lapse unless the Board determines otherwise.

A summary of the two performance hurdles is as follows:

Hurdle	Description	Hurdle banding	Vesting percentage
'Absolute TSR' growth – Total shareholder return (i.e. growth in share price plus dividends reinvested) (50% weighting)	Company's Absolute TSR calculated as at the Vesting Date. This looks to align Mr Cottee's rewards to shareholder superior returns.	<u>Company's Absolute TSR over 3 years</u> Below 10% pa 10% to <15% pa 15% to <20% pa 20% to <25% pa 25% pa plus	<u>% of Share Rights vesting</u> 0% 25% 50% 75% 100%
'Relative TSR' – Exploration and Production (50% weighting)	Company's TSR relative to a specific group of exploration and production companies (determined by the Board within its discretion) calculated as at the Vesting Date.	<u>Company's Relative TSR over 3 years</u> Below 51 st percentile 51 st percentile 52 nd to 75 th percentile 76 th percentile and above	<u>% of Share Rights vesting</u> 0% 50% 51% to 99% 100%

For the purposes of determining the maximum number of unvested Share Rights available for vesting, the Company will calculate the Company's Absolute TSR and Relative TSR effective as at the Vesting Date in accordance with the above table to determine the relative hurdle band and vesting percentage that have been met. The unvested Share Rights for the applicable hurdle met for the performance period are then multiplied by the vesting percentage achieved for that hurdle to determine the total number of unvested Share Rights that will vest on the Vesting Date.

Exercise and lapse of Share Rights

Mr Cottee must still be in the employment of the Company as at the applicable vesting date, unless there is a 'change in control event' or 'uncontrollable event' (being death, permanent disablement, retirement, redundancy or such other circumstances which the Board determines is an 'uncontrollable event'), otherwise the unvested Share Rights will not vest and as such will be forfeited.

If Mr Cottee's employment ceases due to an 'uncontrollable event', then the Board has determined that his unvested Share Rights that have been granted but not vested at the time of the 'uncontrollable event' will be reduced on a pro rata basis based on the commencement of a Plan Year in respect of which Unvested Share Rights were granted to the date Mr Cottee ceased to be an employee, which Unvested Share

Rights will vest and be capable of exercise on the vesting date when 2014 LTIP and 2017 LTIP calculations, terms and conditions, have been determined, respectively (as applicable).

If Mr Cottee's employment is terminated by the Company for serious misconduct (including any gross misconduct), then all his unvested Share Rights will be immediately forfeited.

If Mr Cottee ceases to be eligible to participate in the Employee Rights Plan through demotion, transfer to another role in the Company, or change of role in the Company by his choosing, then his unvested Share Rights previously granted in the previous Plan Years will be available and his unvested Share Rights granted in the current Plan Year will be forfeited.

The number of Share Rights may also be adjusted for underperformance or serious misconduct not warranting termination, in accordance with the terms of the 2014 LTIP and 2017 LTIP (as applicable).

The vesting, exercise and lapse of the Share Rights will otherwise generally be in accordance with the terms of the Employee Share Plan, as described in Section 4 of the Explanatory Statement in the Company's 29 September 2015 Notice of Annual General Meeting which meeting was held on 2 November 2015.

Change of control events

The Board has determined, in accordance with its discretion under the Employee Rights Plan, that if a 'change of control event' occurs, or if the Board determines in its absolute discretion that a 'change of control event' is likely to occur:

- (i) all of Mr Cottee's unvested 2014 LTIP Share Rights and 2017 LTIP Share Rights will automatically have any and all performance criteria waived and will immediately vest at 100% in which case Shares will be allocated subject to the valid exercise of those Share Rights by Mr Cottee; and
- (ii) all of Mr Cottee's unexercised 2014 LTIP Share Rights (together with those previously approved and issued to Mr Cottee) and 2017 LTIP Share Rights will not be replaced and will not lapse.

Prior to the commencement of a 'change of control event' the Board (being those Directors of the Board prior to the commencement of the 'change of control event') also retains a discretion to approve the payment to Mr Cottee of the cash value of his Share Rights which have not been exercised, such payment to be made the earlier of 30 days from the 'change of control event' or August in the current Plan Year.

For these purposes, a '**change of control event**' means the occurrence any of the following:

- (i) any person, either alone or together with any associate (as defined in the Corporations Act), acquires a relevant interest (as defined in the Corporations Act) in more than 50% of the issued Shares in the Company as a result of a takeover bid;
- (ii) any person, either alone or together with any associate (as defined in the Corporations Act), acquires a relevant interest

(as defined in the Corporations Act) in more than 50% of the issued Shares in the Company through a scheme of arrangement;

- (iii) a material change in the composition of the Board, such change being initiated as a result of a change in ownership of the Company's securities and the purchaser of the securities requiring (or agreeing with other security holders to require) that change in Board composition; or
- (iv) any other similar event (including a merger of the Company with another company) which the Board determines, in its absolute discretion, to be a 'change of control event'.

Effect of re-organisation of capital

In the event of any re-organisation of the issued ordinary capital of the Company, the Share Rights will be reconstructed in accordance with the terms of the Employee Share Plan, as described in Section 4 of the Explanatory Statement in the Company's Notice of Annual General Meeting dated 29 September 2015.

(d) **Persons referred to in ASX Listing Rule 10.14 who received securities under the Employee Rights Plan since the last Shareholder approval**

Other than securities issued to Mr Richard Ian Cottee as approved by Shareholders on 9 November 2016, no persons referred to in ASX Listing Rule 10.14 have received securities under the Employee Rights Plan since the last Shareholder approval.

(e) **Persons referred to in ASX Listing Rule 10.14 who are eligible to participate in the Employee Rights Plan**

Mr Cottee is the only person referred to in ASX Listing Rule 10.14 who is currently eligible to participate in the Employee Rights Plan.

(f) **No loan**

No loan will be provided by the Company in relation to the grant of the Share Rights to, or the exercise of those Share Rights by, Mr Cottee.

(g) **Details to be included in annual reports**

Details of any securities issued under the Employee Rights Plan will be published in each annual report of the Company relating to a period in which the securities have been issued, and that approval for the issue of the securities was obtained under ASX Listing Rule 10.14.

Any additional persons to whom ASX Listing Rule 10.14 applies and who become entitled to participate in the Employee Rights Plan after this resolution is approved and who are not named in this Notice of Meeting will not participate until approval is obtained under ASX Listing Rule 10.14.

6.3 Termination benefit

Under Part 2D.2 of the Corporations Act, a company may only give a person a benefit in connection with their retirement from a managerial or executive office in the company or a related body corporate if it is approved by shareholders or

an exemption applies. Approval is sought for the purpose of Part 2D.2 of the Corporations Act for the provision by the Company to Mr Richard Ian Cottee of a termination benefit constituted by any early vesting of the Share Rights in accordance with the Employee Rights Plan, the 2014 LTIP or 2017 LTIP (as applicable), Mr Cottee's employment agreement and any other contractual arrangement evidencing the grant of the Share Rights to Mr Cottee pursuant to Resolution 5.

The termination benefit that may be given is the early vesting of Share Rights in certain circumstances of retirement from office. If Mr Cottee ceases to be employed by the Company due to an 'uncontrollable event (being death, permanent disablement, retirement, redundancy or such other circumstances which the Board determines is an 'uncontrollable event') then the Board has determined that his unvested Share Rights that have been granted but not vested at the time of the 'uncontrollable event' will be reduced on a pro rata basis based on the commencement of a Plan Year in respect of which Unvested Share Rights were granted to the date Mr Cottee ceased to be an employee, which Unvested Share Rights will vest and be capable of exercise on the vesting date when 2014 LTIP and 2017 LTIP calculations, terms and conditions, have been determined, respectively (as applicable). If Mr Cottee ceases to be eligible to participate in the Employee Rights Plan through demotion, transfer to another role in the Company, or change of role in the Company by his choosing, then his unvested Share Rights previously granted in the previous Plan Years will be available and his unvested Share Rights granted in the current Plan Year will be forfeited.

The value of such a benefit cannot presently be ascertained but matters, events and circumstances that will, or are likely to, affect the calculation of that value include:

- (a) the number of unvested Share Rights held by Mr Cottee at the time of his retirement from office (including the number of those unvested Share Rights granted in previous Plan Years and the number granted in the current Plan Year); and
- (b) the market price of the Company's shares at the time of exercise of those Share Rights that vest on the retirement of Mr Cottee from office in the circumstances described above.

6.4 Directors' recommendation

The Directors (with Mr Richard Ian Cottee abstaining due to his personal interest as the proposed recipient of the Share Rights the subject of the resolution) recommend that Shareholders **VOTE IN FAVOUR** of Resolution 6.

GLOSSARY

\$ means Australian dollars.

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

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

ASX Listing Rules means the Listing Rules of ASX.

Board means the current board of directors of the Company.

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

Chair means the chair of the Meeting.

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

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

Company or **CTP** means Central Petroleum Limited (ACN 083 254 308).

Constitution means the Company's constitution.

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

Directors means the current directors of the Company.

Employee Rights Plan means the Central Petroleum Limited Employee Rights Plan Rules approved by Shareholders on 2 November 2015.

Explanatory Statement means the explanatory statement accompanying the Notice.

Group means the Company and its Related Bodies Corporate.

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

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

Option means an option to acquire a Share.

Proxy Form means the proxy form accompanying the Notice.

Related Body Corporate has the meaning given in section 9 of the Corporations Act.

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 2017.

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

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

Shareholder means a registered holder of a Share.

VWAP means the arithmetic average rounded to the nearest full cent of the daily volume weighted average sale price of Company Shares sold on the ASX for the period of 20 Trading Days (as that term is defined in the ASX Listing Rules) on which Company Shares are traded on the ASX ending on the Trading Day prior to 30 June, calculated using the Bloomberg page "AQR" or, if that page is unavailable or has been discontinued, calculated by ASX using its standard method of calculation.



ABN 72 083 254 308

CTP

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

Lodge your vote:



Online:

www.investorvote.com.au



By Mail:

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

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

For Intermediary Online subscribers only
(custodians) www.intermediaryonline.com

For all enquiries call:

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

Voting Form

XX



Vote and view the annual report online

- Go to www.investorvote.com.au or scan the QR Code with your mobile device.
- Follow the instructions on the secure website to vote.

Your access information that you will need to vote:

Control Number: 999999

SRN/HIN: I999999999

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



**For your vote to be effective it must be received by
11:00am (Brisbane time) Monday 27 November 2017**

How to Vote on Items of Business

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

Vote Directly

Voting 100% of your holding: Mark either the For, Against or Abstain box opposite each item of business. Your vote will be invalid on an item if you do not mark any box OR you mark more than one box for that item.

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

Appoint a Proxy to Vote on Your Behalf

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

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

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

A proxy need not be a securityholder of the Company.

Signing Instructions for Postal Forms

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

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

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

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

Attending the Meeting

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

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

**GO ONLINE TO VOTE,
or turn over to complete the form** →

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



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



I 9999999999

I ND

Voting Form

Please mark ☒ to indicate your directions

STEP 1 Indicate How your Vote will be Cast *Select one option only*

XX

At the Annual General Meeting of Central Petroleum Limited to be held at **Christie Conference Centre, Morgan Room, Level 1, 320 Adelaide Street, Brisbane QLD 4000** on Wednesday, 29 November 2017 at 11:00am (Brisbane time) and at any adjournment or postponement of that meeting, I/We being member/s of Central Petroleum Limited direct the following:

1. Vote Directly

☐ Record my/our votes strictly in accordance with directions in Step 2.

PLEASE NOTE: A Direct Vote will take priority over the appointment of a Proxy. For a valid Direct Vote to be recorded you must mark FOR, AGAINST, or ABSTAIN on each item.

2. Appoint a Proxy to Vote on Your Behalf: I/We hereby appoint

☐ the Chairman of the Meeting **OR**

OR

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit).

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

Chairman authorised to exercise undirected proxies on remuneration related resolutions: Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on **Items 1 & 6** (except where I/we have indicated a different voting intention below) even though **Items 1 & 6** are connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chairman.

Important Note: If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on **Items 1 & 6** by marking the appropriate box in step 2 below.

STEP 2 Items of Business

PLEASE NOTE: If you have appointed a proxy and you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority. If you are directly voting and you mark the **Abstain** box for an item, it will be treated as though no vote has been cast on that item and no vote will be counted in computing the required majority.

	For	Against	Abstain
1 Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Re-election of Director - Wrixon Frank Gasteen	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 Re-election of Director - Martin Douglas Eberlein Kriewaldt	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4 Re-election of Director - Sarah Ryan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5 Ratification of Prior Issue of Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6 Approval of Issue under Employee Rights Plan to Richard Ian Cottee	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Before completing your vote and returning by post, please consider using the preferred electronic voting option outlined on the front page of this form.

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

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

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

Contact
Name

Contact
Daytime
Telephone

Date ____ / ____ / ____

CTP

2 2 6 7 3 8 A

Computershare