
BPH ENERGY LIMITED

ACN 095 912 002

NOTICE OF GENERAL MEETING

TIME: 11:00 am WST

DATE: 27 March 2020

PLACE: 15 View Street
NORTH PERTH WA 6006

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, Mr David Breeze on +61 8 9328 8400.

IMPORTANT INFORMATION

Time and place of Meeting

Notice is given that the meeting of the Shareholders to which this Notice of Meeting relates will be held at 11:00 am (WST) on 27 March 2020 at:

15 View Street
NORTH PERTH WA 6006

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) that the persons eligible to vote at the Meeting are those who are registered Shareholders at 5:00 pm (WST) on 25 March 2020.

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 two (2) or more votes may appoint two (2) proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the member appoints two (2) proxies and the appointment does not specify the proportion or number of the member's votes, then in accordance with section 249X(3) of the Corporations Act, each proxy may exercise one-half of the votes.

Shareholders and their proxies should be aware that:

- if proxy holders vote, they must cast all directed proxies as directed; and
- any directed proxies which are not voted will automatically default to the Chair, who must vote the proxies as directed.

BUSINESS OF THE MEETING

AGENDA

1. RESOLUTION 1 – CONSOLIDATION OF CAPITAL

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

"That, pursuant to section 254H of the Corporations Act and for all other purposes, the issued capital of the Company be consolidated on the basis that:

(a) every ten (10) Shares be consolidated into one (1) Share; and

(b) every ten (10) Options be consolidated into one (1) Option,

and, where this Consolidation results in a fraction of a Share or Option being held, the Company be authorised to round that fraction down to the nearest whole Share or Option (as the case may be)."

Dated: 25 February 2020

By order of the Board

David Breeze
Company Secretary
BPH Energy Limited

EXPLANATORY STATEMENT

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

1. CONSOLIDATION OF CAPITAL

1.1 Background

Resolution 1 seeks Shareholder approval for the Company to undertake a 10:1 capital consolidation.

If Resolution 1 is passed the number of:

- (a) Shares on issue will be reduced from 3,341,463,202 to 334,146,320 (subject to rounding); and
- (b) Options on issue will be reduced from 79,795,000 to 7,979,500 (subject to rounding).

1.2 Legal requirements

Section 254H of the Corporations Act provides that a company may, by resolution passed in a general meeting, convert all or any of its shares into a larger or smaller number.

1.3 Fractional entitlements

Not all Shareholders or Optionholders will hold that number of Shares or Options (as the case may be) which can be evenly divided by ten (10). Where a fractional entitlement occurs, the Company will round that fraction down to the nearest whole Security.

1.4 Taxation

It is not considered that any taxation implications will arise from the Consolidation. However, Shareholders and Optionholders are advised to seek their own tax advice on the effect of the Consolidation and neither the Company, nor its advisers, accept any responsibility for the individual taxation implications arising from the Consolidation.

1.5 Holding statements

From the date two Business Days after the Consolidation is approved by Shareholders, all holding statements for Shares and/or Options will cease to have any effect, except as evidence of entitlement to a certain number of Shares or Options on a post-Consolidation basis.

After the Consolidation becomes effective, the Company will arrange for new holding statements for Shares and/or Options to be issued to Shareholders and Optionholders.

It is the responsibility of each Security Holder to check the number of Securities held prior to disposal or exercise (as the case may be).

1.6 Effect on capital structure

The effect which the Consolidation will have on the Company's capital structure is set out in the table below:

| Capital Structure | Shares | Options ¹ |
|---|---------------|----------------------|
| Pre-consolidation securities | 3,341,463,202 | 79,795,000 |
| Post-consolidation securities on a 10:1 basis | 334,146,320. | 7,979,500 |

1. This assumes that none of these options are exercised into Shares prior to the Consolidation

The effect the Consolidation will have on the terms of the Options is as set out in the tables below:

Options – Pre-Consolidation

| Terms | Number |
|---|-------------------|
| Exercise price \$0.02, expiring 31 March 2020 | 9,795,000 |
| Exercise price \$0.02, expiring 30 November 2020 | 2,000,000 |
| Exercise price \$0.02, expiring 30 November 2021 | 2,000,000 |
| Exercise price \$0.02, expiring 30 November 2022 | 4,000,000 |
| Exercise price \$0.002, expiring 20 June 2024 | 30,000,000 |
| Exercise price \$0.002, expiring 9 August 2024 | 20,000,000 |
| Exercise price \$0.002, expiring 30 November 2024 | 12,000,000 |
| Total | 79,795,000 |

Options – Post Consolidation

| Terms | Number |
|--|------------------|
| Exercise price \$0.20, expiring 31 March 2020 | 979,500 |
| Exercise price \$0.20, expiring 30 November 2020 | 200,000 |
| Exercise price \$0.20, expiring 30 November 2021 | 200,000 |
| Exercise price \$0.20, expiring 30 November 2022 | 400,000 |
| Exercise price \$0.02, expiring 20 June 2024 | 3,000,000 |
| Exercise price \$0.02, expiring 9 August 2024 | 2,000,000 |
| Exercise price \$0.02, expiring 30 November 2024 | 1,200,000 |
| Total | 7,979,500 |

1.7 Indicative timetable

If Resolution 1 is passed, the consolidation of capital will take effect in accordance with the following timetable (as set out in Appendix 7A (paragraph 7) of the ASX Listing Rules):

| Event | Date* |
|---|------------------|
| Entity announces consolidation | 24 February 2020 |
| Entity sends out notices for security holders' meeting | 26 February 2020 |
| Effective date of consolidation | 27 March 2020 |
| Last day for trading in pre-consolidation securities | 30 March 2020 |
| If agreed by ASX, trading in post-consolidation securities commences on a deferred settlement basis | 31 March 2020 |
| Record date | 1 April 2020 |
| First day for entity to update its register and to send holding statements to security holders reflecting the change in the number of securities they hold | 2 April 2020 |
| Last day for entity to update its register and to send holding statements to security holders reflecting the change in the number of securities they hold and notify ASX that this has occurred | 8 April 2020 |

Shareholders should read the Notice and this Explanatory Statement carefully before deciding how to vote on the Resolution.

GLOSSARY

\$ means Australian dollars.

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.

Chair means the chair of the Meeting.

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

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

Company means BPH Energy Limited ACN 095 912 002.

Consolidation means the consolidation of the Company's issued capital on the basis that every ten (10) Shares or Options (as applicable) will be consolidated into one (1) Share or Option (as applicable), as set out in Resolution 1.

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

Directors means the current directors of the Company.

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

Explanatory Statement means the explanatory statement accompanying the Notice.

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

Meeting means the meeting convened by the Notice.

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

Option means an option to acquire a Share.

Optionholder means a holder of an Option.

Proxy Form means the proxy form accompanying the Notice.

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

Securities means the Company's issued securities.

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.

VOTING/PROXY FORM

I/We being shareholder(s) of BPH Energy Limited and entitled to attend and vote hereby:

APPOINT A PROXY

The Chairman of
the meeting

OR



PLEASE NOTE: If you leave the section blank, the Chairman of the Meeting will be your proxy.

If no individual(s) or body corporate(s) is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf, including to vote in accordance with the following directions (or, if no directions have been given, and to the extent permitted by law, as the proxy sees fit), at the Meeting of the Company to be held at **15 View Street, North Perth, Western Australia on , 27th March 2020 at 11am (WST)** and at any adjournment or postponement of that Meeting.

Chairman authorised to exercise undirected proxies on remuneration related resolutions: Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on Item 1 (except where I/we have indicated a different voting intention below). The Chairman of the Meeting intends to vote all undirected proxies available to them in favour of each Item of Business.

VOTING DIRECTIONS

Agenda Items

| | For | Against | Abstain* |
|----------------------------|--------------------------|--------------------------|--------------------------|
| 1 Consolidation of capital | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |



* 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.

SIGNATURE OF SHAREHOLDERS – THIS MUST BE COMPLETED

Shareholder 1 (Individual)

Joint Shareholder 2 (Individual)

Joint Shareholder 3 (Individual)

Sole Director and Sole Company Secretary

Director/Company Secretary (Delete one)

Director

This form should be signed by the shareholder. If a joint holding, either shareholder may sign. If signed by the shareholder's attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the company's constitution and the Corporations Act 2001 (Cth).

Email Address

☐

Please tick here to agree to receive communications sent by the company via email. This may include meeting notifications, dividend remittance, and selected announcements.

HOW TO COMPLETE THIS SHAREHOLDER PROXY FORM

IF YOU WOULD LIKE TO ATTEND AND VOTE AT THE MEETING, PLEASE BRING THIS FORM WITH YOU. THIS WILL ASSIST IN REGISTERING YOUR ATTENDANCE.

CHANGE OF ADDRESS

Your address as it appears on Company's share register. If this information is incorrect, please make the correction on the form. Shareholders sponsored by a broker should advise their broker of any changes.

APPOINTMENT OF A PROXY

If you wish to appoint the Chairman as your proxy, mark the box in Step 1. If you wish to appoint someone other than the Chairman, please write that person's name in the box in Step 1. A proxy need not be a shareholder of the Company. A proxy may be an individual or a body corporate. If you leave this section blank, or your named proxy does not attend the meeting, the Chairman will be your proxy.

DEFAULT TO THE CHAIRMAN OF THE MEETING

If you leave Step 1 blank, or if your appointed proxy does not vote on a poll in accordance with your directions or does not attend the Meeting, then the proxy appointment will automatically default to the Chairman of the Meeting, who is required to vote the proxies as directed.

VOTING DIRECTIONS – PROXY APPOINTMENT

You may direct your proxy on how to vote by placing a mark in one of the boxes opposite each item of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on a given item, your proxy may vote as they choose to the extent they are able. If you mark more than one box on an item, your vote on that item will be invalid.

PROXY VOTING BY KEY MANAGEMENT PERSONNEL

If you wish to appoint a Director (other than the Chairman) or other member of the Company's key management personnel, or their closely related parties, as your proxy, you must specify how they should vote on Resolution 1, by marking the appropriate box. If you do not, your proxy will not be able to exercise your vote for Resolution 1.

PLEASE NOTE: If you appoint the Chairman as your proxy (or if they are appointed by default) but do not direct them how to vote on an item (that is, you do not complete any of the boxes "For", "Against" or "Abstain" opposite that item), you will be expressly authorising the Chairman to vote as they see fit on that item.

APPOINTMENT OF A SECOND PROXY

You are entitled to appoint up to two 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 telephoning Advanced Share Registry Limited or you may copy this form and return them both together.

To appoint a second proxy you must:

- On each Proxy Form state the percentage of your voting rights or number of shares 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 your votes. Fractions of votes will be disregarded; and
- Return both forms together.

CORPORATE REPRESENTATIVES

If a representative of a nominated corporation is to attend the meeting the appropriate "Certificate of Appointment of Corporate Representative" should be produced prior to admission in accordance with the Notice of Meeting. A Corporate Representative Form may be obtained from Advanced Share Registry.

SIGNING INSTRUCTIONS ON THE PROXY FORM

Individual:

Where the holding is in one name, the security holder must sign.

Joint Holding:

Where the holding is in more than one name, all of the security holders should sign.

Power of Attorney:

If you have not already lodged the Power of Attorney with Advanced Share Registry, please attach the original or 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 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.

LODGE YOUR VOTE

This Proxy Form (and any power of attorney under which it is signed) must be received at an address given below by 11 am (WST) on 25th March 2020, being not later than 48 hours before the commencement of the Meeting. Proxy Forms received after that time will not be valid for the scheduled meeting.



BY MAIL

Advanced Share Registry Limited
110 Stirling Hwy, Nedlands WA 6009; or
PO Box 1156, Nedlands WA 6909



BY FAX

+61 8 9262 3723



BY EMAIL

admin@advancedshare.com.au



IN PERSON

Advanced Share Registry Limited
110 Stirling Hwy, Nedlands WA 6009; or



ALL ENQUIRIES TO

Telephone: +61 8 9389 8033