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**88 ENERGY LIMITED**

**ACN 072 964 179**

**NOTICE OF ANNUAL GENERAL MEETING**

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**TIME:** 9.00am (WST)

**DATE:** 24 April 2015

**PLACE:** Celtic Club  
48 Ord St. West Perth

*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 8 9485 0990.*

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## CONTENTS

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Business of the Meeting (setting out the proposed Resolutions)	5
Explanatory Statement (explaining the proposed Resolutions)	8
Glossary	19
Schedule 1 – Auditor Nomination Letter	22
Schedule 2 – Issues of Equity Securities since 24 April 2014	23
Schedule 3 – Terms of Options (Resolutions 6 & 8)	28

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## IMPORTANT INFORMATION

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### Time and place of Meeting

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Notice is given that the Annual General Meeting of the Company will be held at 9.00am on 24 April 2015 at:

Celtic Club, 48 Ord St, West Perth

### Your vote is important

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

### Voting eligibility

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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 5.00pm on 22 April 2015.

DI Holders may attend the Meeting but will not be permitted to vote at the Meeting. For their votes to be counted DI Holders must submit their CREST Voting Instruction to the Company's agent by 12.00pm (GMT) 18 April 2015. Alternatively DI Holders can vote using the enclosed Form of Instruction in accordance with the instructions below.

### Voting in person

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

### Voting by proxy

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To vote by proxy, please complete and sign the enclosed Proxy Form and return by the time and in accordance with the instructions set out on the Proxy Form.

In accordance with section 249L of the Corporations Act, Shareholders are advised that:

- each Shareholder has a right to appoint a proxy;
- the proxy need not be a Shareholder of the Company; and

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

Shareholders and their proxies should be aware that changes to the Corporations Act made in 2011 mean that:

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

Further details on these changes are set out below.

### ***Proxy vote if appointment specifies way to vote***

Section 250BB(1) of the Corporations Act provides that an appointment of a proxy may specify the way the proxy is to vote on a particular resolution and, **if it does:**

- the proxy need not vote on a show of hands, but if the proxy does so, the proxy must vote that way (i.e. as directed); and
- if the proxy has 2 or more appointments that specify different ways to vote on the resolution, the proxy must not vote on a show of hands; and
- if the proxy is the chair of the meeting at which the resolution is voted on, the proxy must vote on a poll, and must vote that way (i.e. as directed); and
- if the proxy is not the chair, the proxy need not vote on the poll, but if the proxy does so, the proxy must vote that way (i.e. as directed).

### ***Transfer of non-chair proxy to chair in certain circumstances***

Section 250BC of the Corporations Act provides that, if:

- an appointment of a proxy specifies the way the proxy is to vote on a particular resolution at a meeting of the Company's members; and
- the appointed proxy is not the chair of the meeting; and
- at the meeting, a poll is duly demanded on the resolution; and
- either of the following applies:
  - the proxy is not recorded as attending the meeting; or
  - the proxy does not vote on the resolution,

the chair of the meeting is taken, before voting on the resolution closes, to have been appointed as the proxy for the purposes of voting on the resolution at the meeting.

## **United Kingdom (CREST Voting Instruction)**

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DI Holders in CREST may transmit voting instructions by utilising the CREST voting service in accordance with the procedures described in the CREST Manual. CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider, should refer to their CREST sponsor or voting service provider, who will be able to take appropriate action on their behalf.

In order for instructions made using the CREST voting service to be valid, the appropriate CREST message (**CREST Voting Instruction**) must be properly authenticated in accordance with Euroclear's specifications and must contain the information required for such instructions, as described in the CREST Manual (available via [www.euroclear.com/CREST](http://www.euroclear.com/CREST)).

To be effective, the CREST Voting Instruction must be transmitted so as to be received by the Company's agent (Computershare UK) no later than 18 April 2015 at 12.00pm (GMT). For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the CREST Voting Instruction by the CREST applications host) from which the Company's agent is able to retrieve the CREST Voting Instruction by enquiry to CREST in the manner prescribed by CREST. DI Holders in CREST and, where applicable, their CREST sponsors or voting service providers should note that Euroclear does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the transmission of CREST Voting Instructions. It is the responsibility of the DI Holder concerned to take (or, if the DI Holder is a CREST personal member or sponsored member or has appointed a voting service provider, to procure that the CREST sponsor or voting service provider takes) such action as shall be necessary to ensure that a CREST Voting Instruction is transmitted by means of the CREST voting service by any particular time.

In this connection, DI Holders and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

### ***Form of Instruction***

DI Holders are invited to attend the Meeting but are not entitled to vote at the Meeting. In order to have votes cast at the Meeting on their behalf, DI Holders must complete, sign and return the Forms of Instruction sent to them together with this Notice to the Company's agent, Computershare UK, by no later than 18 April 2015 at 12.00pm (GMT).

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## BUSINESS OF THE MEETING

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### AGENDA

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#### 1. FINANCIAL STATEMENTS AND REPORTS

To receive and consider the annual financial report of the Company for the financial year ended 31 December 2014 together with the declaration of the Directors, the Directors' report, the Remuneration Report, and the Auditor's report.

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#### 2. 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 Remuneration Report forming part of the Company's 2014 Annual Report be and is hereby adopted."*

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

**Voting Prohibition Statement:**

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.

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#### 3. RESOLUTION 2 – RE-ELECTION OF MR MICHAEL EVANS AS A DIRECTOR

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

*"That, Mr Michael Evans, being a Director of the Company, who retires by rotation in accordance with Rule 11.2 of the Company's Constitution and being eligible for re-election, be hereby re-elected as a Director of the Company, with effect from the close of the meeting."*

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#### 4. RESOLUTION 3 – CHANGE OF AUDITOR

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

*"That, for the purposes of section 327B of the Corporations Act and for all other purposes, BDO Audit (WA) Pty Ltd having been nominated by a Shareholder and having consented in writing to act in the capacity of auditor, be appointed as auditor of the Company with effect from the close of the Meeting."*

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## 5. RESOLUTION 4 – APPROVAL OF 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 purposes 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 issued capital of the Company at the time of 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 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 person chairing the meeting 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.

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## 6. RESOLUTION 5 – RATIFICATION OF PRIOR ISSUE OF SHARES

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

*“That, for the purpose of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 91,319,300 Shares on 2 March 2015 on the terms and conditions set out the Explanatory Statement.”*

**Voting Exclusion:** The Company will disregard any votes cast on this Resolution by a person who participated in the issue 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 person chairing the meeting 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.

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## 7. RESOLUTION 6 – RATIFICATION OF PRIOR ISSUE OF OPTIONS

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

*“That, for the purpose of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 45,659,650 Options on 2 March 2015 on the terms and conditions set out the Explanatory Statement.”*

**Voting Exclusion:** The Company will disregard any votes cast on this Resolution by a person who participated in the issue 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 person chairing the meeting 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.

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## 8. RESOLUTION 7 – RATIFICATION OF PRIOR ISSUE OF SHARES

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

*“That for the purpose of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 2,000,000 Shares on 17 March 2015 on the terms and conditions set out the Explanatory Statement.”*

**Voting Exclusion:** The Company will disregard any votes cast on this Resolution by a person who participated in the issue 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 person chairing the meeting 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.

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**9. RESOLUTION 8 – RATIFICATION OF PRIOR ISSUE OF OPTIONS**

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

*"That, for the purpose of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 28,000,000 Options on 17 March 2015 on the terms and conditions set out the Explanatory Statement."*

**Voting Exclusion:** The Company will disregard any votes cast on this Resolution by a person who participated in the issue 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 person chairing the meeting 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.

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**Dated: 25 March 2015**

**By order of the Board**

A handwritten signature in black ink, appearing to be 'David Wall', with a horizontal line extending to the right.

**David Wall**  
**Director**

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## EXPLANATORY STATEMENT

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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.

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### 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 period from 1 January 2014 to 31 December 2014 together with the Directors' Declaration, the Directors' Report, the Remuneration 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 [www.88energy.com](http://www.88energy.com) or on the ASX platform for "88E" [www.asx.com.au](http://www.asx.com.au).

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### 2. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

#### 2.1 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.

#### 2.2 Voting consequences

Under changes to the Corporations Act which came into effect on 1 July 2011, a company is required to put to its shareholders a resolution proposing the calling of another meeting of shareholders to consider the appointment of directors of the company (**Spill Resolution**) if, at consecutive annual general meetings, at least 25% of the votes cast on a remuneration report resolution are voted against adoption of the remuneration report and at the first of those annual general meetings a Spill Resolution was not put to vote. If required, the Spill Resolution must be put to vote at the second of those annual general meetings.

If more than 50% of votes cast are in favour of the Spill Resolution, the company must convene a shareholder meeting (**Spill Meeting**) within 90 days of the second annual general meeting.

All of the directors of the company who were in office when the directors' report (as included in the company's annual financial report for the most recent financial year) 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 of the company is approved will be the directors of the company.

## 2.3 Previous voting results

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.

## 2.4 Proxy voting restrictions

Shareholders appointing a proxy for this Resolution should note the following:

Proxy	Directions given	No directions given
Key Management Personnel <sup>1</sup>	Vote as directed	Unable to vote <sup>3</sup>
Chair <sup>2</sup>	Vote as directed	Able to vote at discretion of Proxy <sup>4</sup>
Other	Vote as directed	Able to vote at discretion of Proxy

Notes:

<sup>1</sup> Refers to Key Management Personnel (other than the Chair) whose remuneration details are included in the Remuneration Report, or a Closely Related Party of such a member.

<sup>2</sup> Refers to the Chair (where he/she is also a member of the Key Management Personnel whose remuneration details are included in the Remuneration Report), or a Closely Related Party of such a member).

<sup>3</sup> Undirected proxies granted to these persons will not be voted and will not be counted in calculating the required majority if a poll is called on this Resolution.

<sup>4</sup> The Proxy Form notes it is the Chair's intention to vote all undirected proxies in favour of all Resolutions.

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## 3. RESOLUTION 2 – RE-ELECTION OF MR MICHAEL EVANS AS A DIRECTOR

### 3.1 Background

ASX Listing Rule 14.4 provides that a director of an entity must not hold office (without re-election) past the third AGM following the director's appointment or 3 year, whichever is the longer.

The Constitution of the Company requires that one third of the Directors in office (other than a Managing Director) must retire by rotation at each annual general meeting of the Company.

Mr Evans therefore retires at the AGM in accordance with the Constitution and, being eligible, offers himself for re-election at the meeting.

Mr Evans is a highly experienced mining and resource industry executive based in Perth who has extensive executive and board level experience with publicly listed companies in the natural resources sector.

Mr Evans was until April 2012 the founding Executive Chairman of oil explorer and producer FAR Limited, a position he held from 1995. Under Mr Evan's stewardship, FAR established and built up an extensive international oil and gas portfolio spanning Africa, North America and Australia – with industry partners including Amoco, Shell, BHP, BP, Exxon, CNOOC and Woodside. He was responsible for acquiring FAR's entire West African portfolio including the Senegal acreage where significant oil discoveries were made in 2014 by Cairn Energy.

Mr. Evans has a Bachelor of Business Degree from Curtin, is a Chartered Accountant, and holds the following additional qualifications: ACA, AGIA, ACIS. Mr Evans is also currently a director of TNG Limited.

The board considers Mr Evans to be an independent director.

The Board, with Mr Evans abstaining, recommends that Shareholders vote in favour of Resolution 2.

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#### **4. RESOLUTION 3– CHANGE OF AUDITOR**

Ernst & Young, which is the Company's current auditor, has given notice of its intention to resign as auditor of the Company to ASIC (under section 329(5) of the Corporations Act).

Upon receipt of ASIC's consent to their resignation, Ernst & Young has advised that it will submit a notice of resignation to the Company in accordance with section 329(5) of the Corporations Act, such resignation to take effect from the date of the Meeting.

In accordance with section 328B(1) of the Corporations Act, the Company has sought and obtained a nomination from a Shareholder for BDO Audit (WA) Pty Ltd to be appointed as the Company's auditor. A copy of this nomination is attached to this Explanatory Statement as Schedule 1.

BDO Audit (WA) Pty Ltd has given its written consent to act as the Company's auditor, subject to Shareholder approval and the resignation of Ernst & Young.

If Resolution 3 is passed, the appointment of BDO Audit (WA) Pty Ltd as the Company's auditors will take effect from the close of the Annual General Meeting.

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#### **5. RESOLUTION 4 – APPROVAL OF 10% PLACEMENT CAPACITY**

##### **5.1 General**

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 (**10% Placement Capacity**).

The Company is an Eligible Entity.

If Shareholders approve Resolution 4, 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 in section 5.2 below).

The effect of Resolution 4 will be to allow the Company 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 4 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 4 for it to be passed.

## 5.2 ASX Listing Rule 7.1A

ASX Listing Rule 7.1A came into effect on 1 August 2012 and 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.

The Company is an Eligible Entity as it is not included in the S&P/ASX 300 Index and has a market capitalisation of \$10,258,614 at 17 March 2015 (calculated by multiplying the number of shares on issue of 1,139,846,023 by the Company's closing share price on 17 March 2015 of \$0.009).

Any Equity Securities issued must be in the same class as an existing class of quoted Equity Securities. The Company currently has 2 classes of Equity Securities on issue, being the Shares (ASX Code: 88E) and Quoted Options (ASX Code: 88EO).

The exact number of Equity Securities that the Company may issue under an approval under Listing Rule 7.1A will be calculated according to the following formula:

$$(A \times D) - E$$

Where:

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

### 5.3 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 4:

#### (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 5.3(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) (after which date, an approval under Listing Rule 7.1A ceases to be valid),

**(10% Placement Capacity Period).**

#### (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 4 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 dilution of existing Shareholders calculated in accordance with the formula outlined in ASX Listing Rule 7.1A(2), on the basis of the current market price of Shares and the current number of Equity Securities on issue as at the date of this Notice.

The table also shows the voting dilution impact where the number of Shares on issue (Variable A in the formula) changes and the economic dilution where there are changes in the issue price of Shares issued under the 10% Placement Capacity.

Number of Shares on Issue	Dilution			
	Issue Price (per Share)	\$0.0045 50% decrease in Issue Price	\$0.009 Issue Price	\$0.018 50% increase in Issue Price
1,139,846,023 (Current)	<b>Shares issued</b>	113,984,602 Shares	113,984,602 Shares	113,984,602 Shares
	<b>Funds raised</b>	\$512,931	\$1,025,861	\$2,051,723
1,709,769,035 (50% increase)*	<b>Shares issued</b>	170,976,903 Shares	170,976,903 Shares	170,976,903 Shares
	<b>Funds raised</b>	\$769,396	\$1,538,792	\$3,077,584
2,279,692,046 (100% increase)*	<b>Shares issued</b>	227,969,205 Shares	227,969,205 Shares	227,969,205 Shares
	<b>Funds raised</b>	\$1,025,861	\$2,051,723	\$4,103,446

\*The number of Shares on issue (Variable A in the formula) could increase as a result of the issue of Shares that do not require Shareholder approval (such as under a pro-rata rights issue or scrip issued under a takeover offer) or that are issued with Shareholder approval under Listing Rule 7.1.

**The table above uses the following assumptions:**

1. There are currently 1,139,846,023 Shares on issue.
2. The issue price set out above is the closing price of the Shares on the ASX on 17 March 2015.
3. The Company issues the maximum possible number of Equity Securities under the 10% Placement Capacity.
4. 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.
5. The issue of Equity Securities under the 10% Placement Capacity consists only of Shares. It is assumed that no Options are exercised into Shares before the date of issue of the Equity Securities.
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%.
9. The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement Capacity, based on that Shareholder's holding at the date of the Meeting.

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 funds raised for Project Icewine and general working capital; or

- (ii) as non-cash consideration. 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 policy under the 10% Placement Capacity**

The Company's allocation policy for the issue of Equity Securities under the 10% Placement Capacity will be dependent on the prevailing market conditions at the time of the proposed placement(s).

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 resources, assets or investments, it is likely that the recipients under the 10% Placement Capacity will be vendors of the new resources, assets or investments.

(f) **Previous Approval under ASX Listing Rule 7.1A**

The Company previously obtained approval from its Shareholders pursuant to ASX Listing Rule 7.1A at its annual general meeting held on 12 June 2014 (**Previous Approval**).

During the 12 month period preceding the date of the Meeting, being on and from 24 April 2014 to 24 April 2015, the Company issued a total of 970,766,803 Shares and 493,859,650 Options which represents approximately 723% of the total diluted number of Equity Securities on issue in the Company on 24 April 2014, which was 202,354,307.

Further details of the issues of Equity Securities by the Company during the 12 month period preceding the date of the Meeting are set out in Schedule 2.

(g) **Compliance with ASX Listing Rules 7.1A.4 and 3.10.5A**

When the Company issues Equity Securities pursuant to the 10% Placement Capacity, it must give to ASX:

- (i) a list of the recipients of the Equity Securities and the number of Equity Securities issued to each (not for release to the market), in accordance with Listing Rule 7.1A.4; and
- (ii) the information required by Listing Rule 3.10.5A for release to the market.

## **5.4 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 4.

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## **6. RESOLUTION 5 – RATIFICATION OF PRIOR ISSUE OF SHARES**

### **6.1 General**

On 2 March 2015, the Company issued 91,319,300 Shares at an issue price of \$0.01 per Share to raise \$91,319. The issue of these Shares were in addition to those issued under the placement approved by shareholders on 12 February 2015 to raise \$6,913,193.

The Shares were issued pursuant to the Company's capacity under ASX Listing Rule 7.1.

Resolution 5 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of those Shares.

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 in general meeting ratifies the previous issue of securities made pursuant to ASX Listing Rule 7.1 (and provided that the previous issue did not breach ASX Listing Rule 7.1) those securities will be deemed to have 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.

### **6.2 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 the ratification the subject of Resolution 5:

- (a) 91,319,300 Shares were issued;
- (b) the Shares were issued at an issue price of \$0.01 per share;

- (c) the Shares issued were 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 international institutional and sophisticated investors, who were not related parties of the Company; and
- (e) the funds raised from this issue were used to complete the acquisition of Project Icewine, progress exploration at Project Icewine and for working capital.

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## **7. RESOLUTION 6 – RATIFICATION OF PRIOR ISSUE OF OPTIONS**

### **7.1 General**

On 2 March 2015, the Company issued 45,659,650 free attaching Options. The issue of these Options were in addition to those issued under the placement approved by shareholders 12 February 2015 to raise \$6,913,193.

The Options were issued pursuant to the Company's capacity under ASX Listing Rule 7.1.

Resolution 6 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of those Options.

A summary of ASX Listing Rules 7.1 and 7.4 is set out in section 6.1 above.

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.

### **7.2 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 the ratification the subject of Resolution 6:

- (a) 45,659,650 Options were issued;
- (b) the Options were issued for nil cash consideration given they were free attaching to the Shares issued as part of the Company's placement approved by shareholders on 12 February 2015;
- (c) the Options were listed options exercisable at \$0.02 each on or before 02 March 2018 and were issued on the terms set out in Schedule 3;
- (d) the Options were issued to international institutional and sophisticated investors, who were not related parties of the Company; and
- (e) no funds were raised from this issue as the Options given they were free attaching to the Shares issued as part of the Company's Placement announced 12 February 2015.

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## **8. RESOLUTION 7 – RATIFICATION OF PRIOR ISSUE OF SHARES**

### **8.1 General**

On 2 March 2015, the Company issued 2,000,000 Shares at a deemed issue price of \$0.01 per Share to consultants as consideration for the provision of legal, marketing and capital raising services in connection with a placement undertaken by the Company in February 2015.



The Shares were issued pursuant to the Company's capacity under ASX Listing Rule 7.1.

Resolution 7 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of those Shares.

A summary of ASX Listing Rules 7.1 and 7.4 is set out in section 6.1 above.

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.

## **8.2 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 the ratification the subject of Resolution 7:

- (a) 2,000,000 Shares were issued;
- (b) the Shares were issued for nil cash consideration in satisfaction of fees owing for legal, marketing and capital raising services provided in connection with a placement undertaken by the Company in February 2015;
- (c) the Shares issued were 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 consultants, none of whom were related parties of the Company; and
- (e) no funds were raised from this issue as the Shares were issued in consideration for legal, marketing and capital raising services provided by consultants in connection with a placement undertaken by the Company in February 2015.

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## **9. RESOLUTION 8 – RATIFICATION OF PRIOR ISSUE OF OPTIONS**

### **9.1 General**

On 17 March 2015, the Company issued 28,000,000 Options to consultants as consideration for the provision of legal, marketing and capital raising services in connection with a placement undertaken by the Company in February 2015.

The Options were issued pursuant to the Company's capacity under ASX Listing Rule 7.1.

Resolution 8 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of those Options.

A summary of ASX Listing Rules 7.1 and 7.4 is set out in section 6.1 above.

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.

## **9.2 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 the ratification the subject of Resolution 8:

- (a) 28,000,000 Options were issued;
- (b) the Options were issued for nil cash consideration in satisfaction of fees owing for legal, marketing and capital raising services provided in connection with a placement undertaken by the Company in February 2015;
- (c) the Options were Listed options exercisable at \$0.02 each on or before 02 March 2018 and were issued on the terms set out in Schedule 3;
- (d) the options were issued to consultants, none of whom were related parties of the Company; and
- (e) no funds were raised from this issue as the Options were issued in consideration for legal, marketing and capital raising services provided by consultants in connection with a placement undertaken by the Company in February 2015.

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## GLOSSARY

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**\$** means Australian dollars.

**10% Placement Capacity** has the meaning given in section 5.1 of the Explanatory Statement.

**Acquisition** or **Icewine Acquisition** means the proposed acquisition by the Company of up to an 87.5% interest in a large acreage position on a multiple objective, liquids-rich exploration opportunity in onshore North America known as Project Icewine as detailed in the Notice of General Meeting lodged 13 January 2015.

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

**ASIC** means the Australian Securities & Investments Commission.

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

**ASX Listing Rules** means the Listing Rules of ASX.

**Board** means the current board of directors of the Company.

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

**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.

**Chair** means the chair of the Meeting.

**Company** or **88E** means 88 Energy Limited (ACN 072 964 179).

**Constitution** means the Company's constitution.

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

**DI** means a depository interest representing a Share listed (or to be listed) on the AIM Market of the London Stock Exchange.

**DI Holder** means a holder of a DI.

**Directors** means the current directors of the Company.

**ECP** means Energy Capital Partners.

**Eligible Entity** means an entity that, at the date of the relevant 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.

**Employee Share Plan** means the Company's Share Plan, approved by Shareholders at the Company's annual general meeting held on 12 June 2014, and amended at the Company's General Meeting on 12 February 2015.

**Employee Option Plan** means the Company's Option Plan, approved by Shareholders at the Company's the Company's General Meeting on 12 February 2015.

**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.

**GMT** means Greenwich Mean Time, being the time in London, United Kingdom.

**Icewine Project** means the onshore oil and gas project known as Project Icewine located in North America.

**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, the Proxy Form and the Form of Instruction.

**Option** means an option to acquire a Share.

**Optionholder** means a holder of an Option.

**Ordinary Securities** has the meaning set out in the ASX Listing Rules.

**Proxy Form** means the proxy form accompanying the Notice.

**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 31 December 2014.

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

**Section** means a section of the Explanatory Statement.

**Securities** means a Share or an Option or both as the context requires.

**Securityholder** means a holder of a Security.

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

**Shareholder** means a registered holder of a Share.

**Tarfaya Offshore Project** means the Tarfaya Offshore Block, an oil and gas project in Morocco.

**Variable A** means "A" as set out in the calculation in section 5.2 of the Explanatory Statement.

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

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## SCHEDULE 1 – AUDITOR NOMINATION LETTER

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20 March 2015

88 Energy Limited  
5 Ord Street  
West Perth WA 6005

I, David Wall, being a member of 88 Energy Limited (**Company**), nominate BDO Audit (WA) Pty Ltd in accordance with section 328B(1) of the *Corporations Act 2001* (Cth) (**Act**) to fill the office of auditor of the Company.

Please distribute copies of this notice of this nomination as required by section 328B(3) of the Act.

Signed and dated 20 March 2015:

A handwritten signature in black ink, appearing to be 'David Wall', with a horizontal line extending to the right.

David Wall

## SCHEDULE 2 – ISSUES OF EQUITY SECURITIES SINCE 21 APRIL 2014

Date <sup>1</sup>	Quantity	Class <sup>3, 4, 5,</sup> 6, 7, 8, 9, 10, 11	Issued to or basis of issue	Issue price and discount to Market Price (if applicable) <sup>2</sup>	Form of consideration
Appendix 3B: 13 May 2014	23,686,883	3	Part of private placement to specified wholesale, institutional and sophisticated investors under the Company's 15% placement capacity under ASX Listing Rule 7.1	Issue Price of \$0.16. Closing price on date of issue \$0.17. Discount of 5.9%.	Funds of \$3,789,901 were raised for support of the Company's exploration activities at the Tarfaya offshore project. \$3,789,901 of this amount has been spent
Appendix 3B: 13 June 2014 Issue date: 13 June 2014	8,330,880	3	6,051,168 shares issued as consideration for advisory services provided as approved at AGM on 12 June 2014. 2,279,712 shares issued under Company's placement capacity under ASX Listing Rule 7.1	6,051,168 deemed issue price of \$0.16. 2,279,712 issue price of \$0.16. Closing price on date of issue \$0.25. Discount of 36.0%.	6,051,168 issued as consideration for advisory services provided as approved at AGM on 12 June 2014. 2,279,712 issued to raise funds of \$364,754 for support of the Company's exploration activities at the Tarfaya offshore project. \$364,754 of this amount has been spent.
Appendix 3B: 13 June 2014 Issue date: 13 June 2014	32,848,832	3	Private placement to wholesale, institutional and sophisticated investors as approved at AGM on 12 June 2014.	Issue Price of \$0.16. Closing price on date of issue \$0.25. Discount of 36.0%	Funds of \$5,255,813 were raised for support of the Company's exploration activities at the Tarfaya offshore project. \$5,255,813 of this amount has been spent.
Appendix 3B: 13 June 2014 Issue date: 13 June 2014	1,000,000	5	Issued as remuneration to Director as approved by shareholders at AGM on 12 June 2014.	No issue price (non-cash consideration). Nil - Closing price on date of issue \$0.25	Consideration: Nil. Issued as remuneration to Director as approved at AGM on 12 June 2014. Current value <sup>13</sup> = \$100
Appendix 3B: 13 June 2014 Issue date: 13 June 2014	2,000,000	6	Issued as remuneration to Directors as approved by shareholders at AGM on 12 June 2014.	No issue price (non-cash consideration). Nil - Closing price on date of issue \$0.25	Consideration: Nil. Issued as remuneration to Director as approved at AGM on 12 June 2014. Current value <sup>13</sup> = \$200
Appendix 3B: 13 June 2014	1,000,000	7	Issued pursuant to mandates for capital raising services provided under the Company's 15% placement capacity under ASX Listing Rule 7.1	No issue price (non-cash consideration). Nil - Closing price on date of issue \$0.25	Consideration: Nil. Issued pursuant to mandates for capital raising services provided. Current value <sup>13</sup> = \$Nil
Appendix 3B: 13 June 2014 Issue date: 13 June 2014	6,200,000	8	Issued pursuant to mandates for capital raising services provided under the Company's 15% placement capacity under ASX Listing Rule 7.1	No issue price (non-cash consideration). Nil Closing price on date of issue \$0.25	Consideration: Nil. Issued pursuant to mandates for capital raising services provided. Current value <sup>13</sup> = \$3,100

Appendix 3B: 13 June 2014 Issue date: 16 June 2014	540,000	3	Issued to employees under the Company's Employee Share Plan approved by shareholders at AGM on 12 June 2014	No issue price (non-cash consideration). Deemed Issue Price of \$0.29. Closing price on date of issue \$0.25. Premium of 16.0%.	Consideration: Nil cash consideration. Issued to employees under the Company's Employee Share Plan approved at AGM on 12 June 2014. Current value <sup>13</sup> = \$4,860
Appendix 3B: 13 June 2014 Issue date: 16 June 2014	5,500,000	3	Issued as remuneration to Directors approved by shareholders at AGM on 12 June 2014. Shares were cancelled on 6 March 2015.	No issue price (non-cash consideration). Closing price on date of issue \$0.25.	Consideration: Nil cash consideration. Issued to directors under the Company's Employee Share Plan approved at AGM on 12 June 2014. Shares were cancelled on 6 March 2015. Current value <sup>13</sup> = \$49,500
Appendix 3B: 18 June 2014 Issue date: 18 June 2014	227,273	3	Issued upon exercise of options (exercisable at \$0.22 on or before 19 July 2014)	Issue Price of \$0.22. Closing price on date of issue \$0.25. Discount of 12.0%.	Funds of \$50,000 were raised for support of the Company's exploration activities at the Tarfaya offshore project. \$50,000 of this amount has been spent
Appendix 3B: 18 June 2014 Issue date: 18 June 2014	620,000	3	Issued upon exercise of options (exercisable at \$0.16 on or before 12 June 2017)	Issue Price of \$0.16. Closing price on date of issue \$0.25. Discount of 36.0%.	Funds of \$99,200 were raised for support of the Company's exploration activities at the Tarfaya offshore project. \$99,200 of this amount has been spent
Appendix 3B: 20 June 2014 Issue date: 20 June 2014	1,880,000	3	Issued upon exercise of options (exercisable at \$0.16 on or before 12 June 2017)	Issue Price of \$0.16. Closing price on date of issue \$0.26. Discount of 38.5%.	Funds of \$300,800 were raised for support of the Company's exploration activities at the Tarfaya offshore project. \$300,800 of this amount has been spent
Appendix 3B: 26 June 2014 Issue date: 25 June 2014	620,000	3	Issued upon exercise of options (exercisable at \$0.16 on or before 12 June 2017)	Issue Price of \$0.16. Closing price on date of issue \$0.24. Discount of 33.3%.	Funds of \$99,200 were raised for support of the Company's exploration activities at the Tarfaya offshore project. \$99,200 of this amount has been spent.
Appendix 3B: 2 July 2014 Issue date: 30 June 2014	1,000,000	3	Issued upon exercise of options (exercisable at \$0.16 on or before 12 June 2017)	Issue Price of \$0.16. Closing price on date of issue \$0.24. Discount of 33.3%.	Funds of \$160,000 were raised for support of the Company's exploration activities at the Tarfaya offshore project. \$160,000 of this amount has been spent.
Appendix 3B: 11 July 2014 Issue date: 9 July 2014	1,400,000	3	Issued upon exercise of options (exercisable at \$0.16 on or before 12 June 2017)	Issue Price of \$0.16. Closing price on date of issue \$0.24. Discount of 33.3%.	Funds of \$224,000 were raised for support of the Company's exploration activities at the Tarfaya offshore project. \$224,000 of this amount has been spent.



Appendix 3B: 11 July 2014 Issue date: 9 July 2014	363,636	3	Issued upon exercise of options (exercisable at \$0.22 on or before 19 June 2014)	Issue Price of \$0.22. Closing price on date of issue \$0.24. Discount of 8.33%.	Funds of \$80,000 were raised for support of the Company's exploration activities at the Tarfaya offshore project. \$80,000 of this amount has been spent.
Appendix 3B: 21 July 2014 Issue date: 21 July 2014	430,000	3	Issued upon exercise of options (exercisable at \$0.16 on or before 12 June 2017)	Issue Price of \$0.16. Closing price on date of issue \$0.22. Discount of 27.0%.	Funds of \$68,800 were raised for support of the Company's exploration activities at the Tarfaya offshore project. \$68,800 of this amount has been spent.
Appendix 3B: 22 October 2014 Issue date: 22 October 2014	200,000,000	3	Placement to sophisticated and professional investors as approved by shareholders at General Meeting on 20 October 2014.	Issue Price of \$0.006. Closing price on date of issue \$0.01. Discount of 40.0%.	Funds of \$1,200,000 were raised for the assessment of new ventures and for working capital. \$1,200,000 of this amount has been spent.
Appendix 3B: 22 October 2014 Issue date: 22 October 2014	12,000,000	11	Issued to brokers and advisors for capital raising and corporate services provided under the Company's 15% placement capacity under ASX Listing Rule 7.1.	No issue price (non-cash consideration). Nil - Closing price on date of issue \$0.01.	Consideration: Nil - Issued to brokers and advisors for capital raising and corporate services provided. Current value <sup>13</sup> = \$61,200
Appendix 3B: 2 March 2015 Issue date: 2 March 2015	691,319,300	3	Placement under a public offer pursuant to a prospectus dated 16 February 2015 as approved by shareholders at General Meeting on 12 February 2015	Issue Price of \$0.01. Closing price on date of issue \$0.01. No Discount.	Funds of \$6,913,193 were raised, Funds raised will be used for the completion of the acquisition of Project Icewine, progressing exploration at Project Icewine and for working capital. Approximately \$556,283 of this amount has been spent.
Appendix 3B: 2 March 2015 Issue date: 2 March 2015	345,659,650	4	Free attaching listed options issued as part of Placement under a public offer pursuant to a prospectus dated 16 February 2015 as approved by shareholders at General Meeting on 12 February 2015	No issue price (non-cash consideration). Nil - Closing price on date of issue \$0.01	Consideration: Nil - Free attaching listed options issued as part of Placement to domestic and international institutional and sophisticated investors as approved by shareholders at General Meeting on 12 February 2015. Current value <sup>13</sup> = \$1,417,204
Appendix 3B: 2 March 2015 Issue date: 2 March 2015	30,000,000	4	Issued to Energy Capital Partners as consideration for ECP's facilitation of the acquisition of Project Icewine as approved by shareholders at General Meeting on 12 February 2015	No issue price (non-cash consideration). Nil - Closing price on date of issue \$0.01	Consideration: Nil - Issued to Energy Capital Partners as consideration for ECP's facilitation of the acquisition of Project Icewine as approved by shareholder at General Meeting on 12 February 2015. Current value <sup>13</sup> = \$123,000

Appendix 3B: 2 March 2015 Issue date: 2 March 2015	20,000,000	9	Issued to Brokers and Advisors as consideration for capital raising services provided as approved by shareholders in General Meeting on 12 February 2015	No issue price (non-cash consideration). Nil – Closing price on date of issue \$0.01	Consideration: Nil - Issued to Brokers and Advisors as consideration for capital raising services provided as approved by shareholders in General Meeting on 12 February 2015. Current value <sup>13</sup> = \$960,000
Appendix 3B: 2 March 2015 Issue date: 2 March 2015	45,000,000	10	Issued to Directors under Employee Incentive Scheme approved by shareholders at General Meeting on 12 February 2015	No issue price (non-cash consideration). Nil – Closing price on date of issue \$0.01	Consideration: Nil - Issued to Directors under Employee Incentive Scheme approved by shareholders at General Meeting on 12 February 2015 Current value <sup>13</sup> = \$207,000
Appendix 3B: 17 March 2015 Issue date: 17 March 2015	2,000,000	3	Issued to consultants as consideration for legal, marketing and capital raising services provided under the Company's 15% placement capacity under ASX Listing Rule 7.1	No issue price (non-cash consideration). Nil - Closing price on date of issue \$0.009	Consideration: Nil - Issued to consultants as consideration for legal, marketing and capital raising services provided. Current value <sup>13</sup> = \$18,000
Appendix 3B: 17 March 2015 Issue date: 17 March 2015	28,000,000	4	Issued to consultants as consideration for legal, marketing and capital raising services provided under the Company's 15% placement capacity under ASX Listing Rule 7.1	No issue price (non-cash consideration). Nil - Closing price on date of issue \$0.009	Consideration: Nil - Issued to consultants as consideration for legal, marketing and capital raising services provided. Current value <sup>13</sup> = \$114,800
Appendix 3B: 17 March 2015 Issue date: 17 March 2015	3,000,000	10	Issued to key management personnel under the Company's Employee Option Plan approved by shareholders at General Meeting on 12 February 2015	No issue price (non-cash consideration). Closing price on date of issue \$0.009	Consideration: Nil - Issued to key management personnel under the Employee Incentive Scheme approved by shareholders at General Meeting on 12 February 2015 Current value <sup>13</sup> = \$13,800

**Notes:**

1. This is the date the Appendix 3B was announced to ASX. The date of issue may be different. Refer to Item 7 of the relevant Appendix 3B for the specific date of issue.
2. Market Price means the closing price on ASX (excluding special crossings, overnight sales and exchange traded option exercises). For the purposes of this table the discount is calculated on the Market Price on the trading day prior to the date of issue of the relevant Equity Securities.
3. Fully paid ordinary shares in the capital of the Company (ASX Code: 88E) (terms are set out in the Constitution).
4. Quoted Options, exercisable at \$0.02 each, on or before 2 March 2018 (ASX Code: 88EO). The full terms of the Options are outlined in Schedule 3.
5. Unquoted Options, exercisable at \$0.42 each, on or before 12 June 2017. The full terms and conditions were disclosed in the notice of meeting for the shareholder meeting held on 12 June 2014.
6. Unquoted Options, exercisable at \$0.28 each, on or before 12 June 2017. The full terms and conditions were disclosed in the notice of meeting for the shareholder meeting held on 12 June 2014.
7. Unquoted Options, exercisable at \$0.30 each, on or before 22 April 2016. The full terms and conditions were disclosed in the notice of meeting for the shareholder meeting held on 12 June 2014.
8. Unquoted Options, exercisable at \$0.16 each, on or before 12 June 2017. The full terms and conditions were disclosed in the notice of meeting for the shareholder meeting held on 12 June 2014.

9. Unquoted Options, exercisable at \$0.014 each, on or before 2 March 2018. The full terms and conditions were disclosed in the notice of meeting for the shareholder meeting held on 12 February 2015.
10. Unquoted Options, exercisable at \$0.015 each, on or before 18 February 2018. The full terms and conditions were disclosed in the notice of meeting for the shareholder meeting held on 12 February 2015.
11. Unquoted Options, exercisable at \$0.01 each, on or before 22 October 2017. The full terms and conditions were disclosed in the notice of meeting for the shareholder meeting held on 22 October 2014.
12. The cash balance of the Company on 24 April 2014 was approximately \$3,454,000. The aggregate amount raised from issues of Equity Securities listed in Schedule 2 is \$18,536,861. The cash balance of the Company as at the date of this Notice is approximately \$6,356,910. The amount spent since 24 April 2014 to the date of this Notice has been approximately \$15,633,951. These funds have been spent on the Company's exploration activities at the Tarfaya offshore block including settlement costs in relation to exit from the Tarfaya Offshore Block, acquisition and exploration costs in relation to Project Icewine, and for working capital. The amount raised from issues of Equity Securities listed in Schedule 2 that remains unspent as at the date of this Notice is \$6,356,910. It is proposed that these funds will be used, together with the Company's other cash reserves, for progressing exploration at Project Icewine and for working capital. This statement as it relates to the future use of funds is a statement of current intentions as at the date of this Notice. As with any budget, intervening events and new circumstances have the potential to affect the manner in which the funds are ultimately applied. The Board reserves the right to alter the way the funds are applied on this basis.
13. In respect of quoted Equity Securities the value is based on the closing price of the Shares (\$0.010) or Options (\$0.002) as the context requires on the ASX on the trading day prior to the date of this Notice. In respect of unquoted Equity Securities the value of Options is measured using the Black & Scholes option pricing model. Measurement inputs include the Share price on the measurement date, the exercise price, the term of the Option, the impact of dilution, the expected volatility of the underlying Share (based on weighted average historic volatility adjusted for changes expected due to publicly available information), the expected dividend yield and the risk free interest rate for the term of the Option. No account is taken of any performance conditions included in the terms of the Option other than market based performance conditions (i.e. conditions linked to the price of Shares).

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### **SCHEDULE 3 – TERMS OF OPTIONS**

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- (a) Each Option entitles the holder to subscribe for and be allotted one ordinary fully paid share in the capital of the company.
- (b) The Options are exercisable at a price which is double the Issue Price under the Capital Raising each and expire three years from the date of issue.
- (c) The Company will apply for the Options to be quoted.
- (d) The Options are exercisable at any time on or prior to the expiry date by notice in writing to the directors of the company accompanied by payment of the exercise price.
- (e) The Options are transferable.
- (f) All shares issued upon exercise of the Options will rank pari passu in all respects with the Company's then existing ordinary fully paid shares. The Company will apply for Official Quotation by the ASX of all shares issued upon exercise of the Options.
- (g) There are no participating rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to shareholders during the currency of the Options. However, if from time to time on or prior to the expiry date the Company makes an issue of new Shares to the holders of ordinary fully paid Shares, the Company will send a notice to each holder of Options at least nine (9) Business Days before the record date referable to that issue. This will give Optionholders the opportunity to exercise their Options prior to the date for determining entitlements to participate in any such issue.
- (h) If there is a bonus issue to the holders of the underlying securities, the number of securities over which the Options are exercisable may be increased by the number of securities which the holder of the Option would have received if the Option had been exercised before the record date for the bonus issue.
- (i) This rule does not apply to Options issued pro rata on the same terms as Options already on issue.
- (j) There is no right to a change in the exercise price of the Options or to the number of shares over which the Options are exercisable in the event of a new issue of capital during the currency of the Options.
- (k) In the event of any reorganisation of the issued capital of the company on or prior to the expiry date, the rights of an Optionholder will be changed to the extent necessary to comply with the applicable ASX Listing Rules in force at the time of the reorganisation.