
ELIXIR PETROLEUM LIMITED

ACN 108 230 995

NOTICE OF ANNUAL GENERAL MEETING

The Annual General Meeting of the Company will be held at Level 2, 1174 Hay Street, West Perth, Western Australia on 30 November 2015 at 10am (WST)

This Notice of Annual General Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their accountant, solicitor or other professional adviser prior to voting.

Should you wish to discuss any matter please do not hesitate to contact the Company by telephone on +61 8 9226 2111.

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ELIXIR PETROLEUM LIMITED

ACN 108 230 995

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the annual general meeting of Shareholders of Elixir Petroleum Limited (**Company**) will be held at Level 2, 1174 Hay Street, West Perth on 30 November 2015 at 10am (WST) (**Meeting**).

The Explanatory Memorandum to this Notice provides additional information on matters to be considered at the Meeting. The Explanatory Memorandum and the Proxy Form form part of this Notice.

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 as Shareholders on 28 November 2015 at 10.00am (WST).

Terms and abbreviations used in this Notice and Explanatory Memorandum are defined in Section 14.

AGENDA

Annual Report

To table and consider the Annual Report of the Company and its controlled entities for the year ended 30 June 2015, which includes the Financial Report, the Directors' 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 resolution**:

"That the Remuneration Report be adopted by the Shareholders on the terms and conditions in the Explanatory Memorandum."

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

Voting Exclusion

In accordance with section 250R of the Corporations Act, a vote on this Resolution must not be cast (in any capacity) by, or on behalf of:

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

However, a person described above may cast a vote on this Resolution if the vote is not cast on behalf of a person described in subparagraphs (a) or (b) above and either:

- (a) the person does so as a proxy appointed in writing that specifies how the proxy is to vote on Resolution 1; or

- (b) the person is the Chairman voting an undirected proxy which expressly authorises the Chairman to vote the proxy on a resolution connected with the remuneration of a member of the Key Management Personnel.

2. Resolution 2 – Re-election of Mr Ray Barnes as a Director

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

"That, for the purposes of Article 6.3(j) of the Constitution, Mr Ray Barnes, a director who was appointed as an additional Director, retires, and being eligible, is re-elected as a Director."

3. Resolution 3 – Re-election of Mr Sam Willis as a Director

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

"That Mr Sam Willis, who retires in accordance with Article 6.3(c) of the Constitution, being eligible and offering himself for re-election, be re-elected as a Director."

4. Resolution 4 – Ratification of issue of Shares as part of the Placement

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

"That for the purposes of Listing Rule 7.4, and for all other purposes, Shareholders approve and ratify the prior issue by the Company of 154,991,753 Shares at an issue price of not less than \$0.001 each to sophisticated investors as part of the Placement (as defined in the Explanatory Memorandum) on the terms and conditions set out in the Explanatory Memorandum."

Voting Exclusion

The Company will disregard any votes cast on this Resolution by a person who participated in the issue and any of their associates.

However, the Company will not disregard a vote if:

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

5. Resolution 5 – Authority for Mr Ray Barnes to participate in the Placement

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

"That, for the purpose of Listing Rule 10.11, and for all other purposes, Shareholders approve and authorise Mr Ray Barnes (and/or his nominees) to participate in the Placement (as defined in the Explanatory Memorandum) to the extent of up to 20,000,000 Shares each at an issue

price of not less than \$0.001 on the terms and conditions set out in the Explanatory Memorandum.”

Voting Exclusion

The Company will disregard any votes cast on this Resolution by Mr Barnes and his nominees and any associates of those persons.

However, the Company will not disregard a vote if:

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

6. Resolution 6 – Authority for Mr Dougal Ferguson to participate in the Placement

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

"That, for the purpose of Listing Rule 10.11, and for all other purposes, Shareholders approve and authorise Mr Dougal Ferguson (and/or his nominees) to participate in the Placement (as defined in the Explanatory Memorandum) to the extent of up to 20,000,000 Shares each at an issue price of not less than \$0.001 on the terms and conditions set out in the Explanatory Memorandum.”

Voting Exclusion

The Company will disregard any votes cast on this Resolution by Mr Ferguson and his nominees and any associates of those persons.

However, the Company will not disregard a vote if:

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

7. Resolution 7 – Authority for Mr Sam Willis to participate in the Placement

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

"That, for the purpose of Listing Rule 10.11, and for all other purposes, Shareholders approve and authorise Mr Sam Willis (and/or his nominees) to participate in the Placement (as defined in the Explanatory Memorandum) to the extent of up to 10,000,000 Shares each at an issue price of not less than \$0.001 on the terms and conditions set out in the Explanatory Memorandum.”

Voting Exclusion

The Company will disregard any votes cast on this Resolution by Mr Willis and his nominees and any associates of those persons.

However, the Company will not disregard a vote if:

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

8. Resolution 8 – Authority to issue SPP Shortfall 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 Listing Rule 7.1, and for all other purposes, Shareholders authorise and approve the Directors to issue up to 309,983,507 Shares (**SPP Shortfall Shares**) each at an issue price of not less than \$0.001 on the terms and conditions set out in the Explanatory Memorandum."*

Voting Exclusion

The Company will disregard any votes cast on this Resolution by a person who may participate in the proposed issue of the SPP Shortfall Shares 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.

However, the Company will not disregard a vote if:

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

9. Resolution 9 – Approval of issue of Shares to Mr Ray Barnes in lieu of Directors' fees

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

"That, for the purposes of Listing Rule 10.11 and for all other purposes, Shareholders approve and authorise the Directors to issue 11,250,000 Shares to Mr Ray Barnes (or his nominees) in lieu of directors' fees payable to Mr Ray Barnes on the terms and conditions set out in the Explanatory Memorandum."

Voting Exclusion

The Company will disregard any votes cast on this Resolution by Mr Barnes and his nominees and any associates of those persons.

However, the Company will not disregard a vote if:

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

- (b) 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.

10. Resolution 10 – Approval of issue of Shares to Mr Dougal Ferguson in lieu of Directors’ salary

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

“That, for the purposes of Listing Rule 10.11 and for all other purposes, Shareholders approve and authorise the Directors to issue 65,000,000 Shares to Mr Dougal Ferguson (or his nominees) in lieu of directors’ salary payable to Mr Dougal Ferguson on the terms and conditions set out in the Explanatory Memorandum.”

Voting Exclusion

The Company will disregard any votes cast on this Resolution by Mr Ferguson and his nominees and any associates of those persons.

However, the Company will not disregard a vote if:

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

11. Resolution 11 – Approval of issue of Shares to Mr Sam Willis in lieu of Directors’ fees

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

“That, for the purposes of Listing Rule 10.11 and for all other purposes, Shareholders approve and authorise the Directors to issue 9,000,000 Shares to Mr Sam Willis (or his nominees) in lieu of directors’ fees payable to Mr Sam Willis on the terms and conditions set out in the Explanatory Memorandum.”

Voting Exclusion

The Company will disregard any votes cast on this Resolution by Mr Willis and his nominees and any associates of those persons.

However, the Company will not disregard a vote if:

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

12. Resolution 12 – Approval of grant of Incentive Options to Mr Dougal Ferguson

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

"That, for the purposes of Listing Rule 10.11, and for all other purposes, approval is given for the Company to grant 75,000,000 Incentive Options to Mr Dougal Ferguson (or his nominees) on the terms and conditions set out in the Explanatory Memorandum."

Voting Exclusion

The Company will disregard any votes cast on this Resolution by Mr Ferguson and his nominees and any of their associates.

However, the Company will not disregard a vote if:

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

13. Resolution 13 – Approval of 10% Placement Facility

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

"That, pursuant to and in accordance with Listing Rule 7.1A and for all other purposes, Shareholders approve the issue of Equity Securities up to 10% of the issued capital of the Company (at the time of the issue) calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and on the terms and conditions in the Explanatory Memorandum."

Voting Exclusion

The Company will disregard any votes cast on this Resolution by a person who may participate in the 10% Placement Facility issue and a person who might obtain a benefit (except a benefit solely in the capacity of a holder of ordinary securities) if this Resolution is passed, and any associates of those persons.

However, the Company will not disregard a vote if:

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

14. Resolution 14 – Approval of General Placement Facility

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

*"That, for the purposes of Listing Rule 7.1 and for all other purposes, approval is given for the Directors, if they think fit, to issue up to 400,000,000 Shares (**General Placement Facility Shares**) at an issue price that is at least 80% of the volume weighted average market price for*

Shares in the Company over the last five days on which sales of the Company's Shares are recorded before the issue of the General Placement Facility Shares, and otherwise on the terms and conditions set out in the Explanatory Memorandum".

Voting Exclusion

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

However, the Company will not disregard a vote if:

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

15. Resolution 14 – Issue of Securities to Hartleys

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

*"That, for the purposes of Listing Rule 7.1 and for all other purposes, approval is given for the Directors, if they think fit, to issue 20,000,000 Shares and 40,000,000 Advisor Options to Hartleys (**Hartleys Securities**) on the terms and conditions set out in the Explanatory Memorandum".*

Voting Exclusion

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

However, the Company will not disregard a vote if:

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

Dated 28 October 2015

BY ORDER OF THE BOARD

Mr Dougal Ferguson
Managing Director

ELIXIR PETROLEUM LIMITED

ACN 108 230 995

EXPLANATORY MEMORANDUM

1. Introduction

This Explanatory Memorandum has been prepared for the information of Shareholders in connection with the business to be conducted at the Meeting to be held at Level 2, 1174 Hay Street, West Perth on 30 November 2015 at 10am (WST).

This Explanatory Memorandum should be read in conjunction with and forms part of the accompanying Notice. The purpose of this Explanatory Memorandum is to provide information to Shareholders in deciding whether or not to pass the Resolutions set out in the Notice.

A Proxy Form is located at the end of the Explanatory Memorandum.

2. Action to be taken by Shareholders

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

2.1 Proxies

A Proxy Form is attached to the Notice. This is to be used by Shareholders if they wish to appoint a representative (a 'proxy') to vote in their place. All Shareholders are invited and encouraged to attend the Meeting or, if they are unable to attend in person, sign and return the Proxy Form to the Company in accordance with the instructions thereon. Lodgment of a Proxy Form will not preclude a Shareholder from attending and voting at the Meeting in person.

Please note that:

- (a) a member of the Company entitled to attend and vote at the Meeting is entitled to appoint a proxy;
- (b) a proxy need not be a member of the Company; and
- (c) a member of the Company entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise, but where the proportion or number is not specified, each proxy may exercise half of the votes.

The enclosed Proxy Form provides further details on appointing proxies and lodging Proxy Forms.

2.2 Voting Prohibition by Proxy Holders

In accordance with section 250BD of the Corporations Act, a person appointed as a proxy must not vote on the basis of that appointment on Resolutions 1 and 9 to 12 if:

- (a) the person is either:
 - (i) a member of the Key Management Personnel of the Company; or
 - (ii) a Closely Related Party of such a member, and

- (b) the appointment does not specify the way the proxy is to vote on Resolutions 1 and 9 to 12.

However, the prohibition does not apply if:

- (a) the proxy is the Chairman; and
- (b) the appointment expressly authorises the Chairman to exercise the proxy even if Resolutions 1 and 9 to 12 are connected directly or indirectly with remuneration of a member of the Key Management Personnel of the Company.

3. Annual Report

Shareholders will be offered the opportunity to discuss the Annual Report at the Meeting. Copies of the report can be found on the Company's website www.elixirpetroleum.com or by contacting the Company on +61 8 9226 2111.

There is no requirement for Shareholders to approve the Annual Report.

Shareholders will be offered the following opportunities:

- (a) discuss the Annual Report for the financial year ended 30 June 2015;
- (b) ask questions about, or make comment on, the management of the Company;
- (c) ask questions about, or make comment on, the Remuneration Report;
- (d) ask the auditor questions about:
 - (i) the conduct of the audit;
 - (ii) the preparation and content of the Auditor's Report;
 - (iii) accounting policies adopted by the Company in relation to the preparation of the financial statements; and
 - (iv) the independence of the auditor in relation to the conduct of the audit.

In addition to taking questions at the Meeting, written questions to the Chairman about the management of the Company, or to the Company's auditor about:

- (a) the content of the Auditor's Report; and
- (b) the conduct of the audit of the Financial Report,

may be submitted no later than 5 business days before the Meeting to the Company Secretary at the Company's registered office.

4. Resolution 1 – Adoption of Remuneration Report

Section 250R(2) of the Corporations Act provides that the Company is required to put the Remuneration Report to the vote of Shareholders. The Directors' Report contains a Remuneration Report which sets out the remuneration policy for the Company and reports the remuneration arrangements in place for the executive and non-executive directors.

Section 250R(3) of the Corporations Act provides that this Resolution is advisory only and does not bind the Directors of the Company. Of itself, a failure of Shareholders to pass this Resolution will not require the Directors to alter any of the arrangements in the Remuneration Report.

The Chairman will allow a reasonable opportunity for Shareholders as a whole to ask about, or make comments on the Remuneration Report.

If at least 25% of the votes cast are voted against adoption of the Remuneration Report at two consecutive annual general meetings, the Company will be required to put to shareholders at the second annual general meeting a resolution proposing that another general meeting be held within 90 days, at which all of the Company's Directors (other than the Managing Director) who were in office at the date of approval of the applicable Directors' Report would go up for re-election.

At the Company's 2014 Annual General Meeting the remuneration report was approved by over 75% of shareholders.

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

5. Resolution 2 – Re-election of Mr Ray Barnes as a Director

Article 6.2(b) of the Constitution allows the Directors to appoint at any time a person to be a Director either to fill a casual vacancy or as an addition to the existing Directors, but only where the total number of Directors does not at any time exceed the maximum number specified by the Constitution.

Pursuant to Article 6.3(j) of the Constitution, any Director so appointed holds office only until the next following annual general meeting and is then eligible for election by Shareholders but shall not be taken into account in determining the Directors who are to retire by rotation (if any) at that meeting.

Mr Ray Barnes was appointed as an additional Director on 10 December 2014. Mr Barnes will retire in accordance with Article 6.3(j) of the Constitution and, being eligible, seek re-election.

Mr Barnes is a Geoscientist with over 40 years of involvement in the oil and gas industry in Australasia, North Africa, India, North and South America, South East Asia and Europe. Mr Barnes has held geo-technical and management roles in a range of international and Australian companies while based in Australia and overseas. These companies include Delhi, Amax Petroleum, Union Texas, Ampolex / Mobile and Apache. Since 2002, Mr Barnes has served on the boards of Australian listed Voyager Energy and dual listed Oilex Limited as Technical Director. Mr Barnes has ongoing advisory roles with companies in Australia and South East Asia.

The Board unanimously supports the re-election of Mr Ray Barnes.

Resolution 2 is an ordinary resolution.

6. Resolution 3 – Re-election of Mr Sam Willis as a Director

Article 6.3(c) of the Constitution requires that one third of the Directors must retire at each annual general meeting (rounded down to the nearest whole number). Article 6.3(f) provides that a Director who retires under Article 6.3(c) is eligible for re-election.

Pursuant to these Articles Mr Sam Willis will retire by rotation and, being eligible, seek re-election.

Mr Willis has over 10 years' experience in upstream oil and gas and is currently Non-Executive Director at New Standard Energy (ASX: NSE) after holding the role as Managing Director there from 2007 to early 2013. Mr Willis is also currently a Non-Executive Director at minerals sands producer Base Resources Limited (ASX: BSE).

The Board unanimously supports the re-election of Mr Sam Willis.

Resolution 3 is an ordinary resolution.

7. Resolution 4 – Ratification of prior issue of Shares as part of the Placement

7.1 Background

On 28 October 2015, the Company announced a capital raising of \$618,304 via:

- (a) a placement of 258,319,589 Shares to sophisticated investors who are not related parties of the Company utilising the Company's available 25% placement capacity under Listing Rules 7.1 (15% - 154,991,753 Shares) and 7.1A (10% - 103,327,836) to raise \$258,320 together with a further 50,000,000 Shares to be subscribed for by the Directors to raise a further \$50,000 subject to Shareholder approval (**Placement**); and
- (b) a Share purchase plan to raise \$309,984 through the issue of a maximum of 309,983,507 Shares, at the same issue price as the Placement, conducted without the requirement for Shareholder approval due to the terms being within the parameters of Listing Rule 7.2, exception 15 (**Share Purchase Plan**),

(together the **Capital Raising**).

Other than the Shares to be issued to Directors which are subject to Shareholder approval, the Shares under the Placement will be issued on or around 5 November 2015. Some of the Resolutions contained in this Notice relate to the Capital Raising as follows:

- (a) Resolution 4 seeks ratification for the issue of Shares issued utilising the Company's 15% placement capacity under Listing Rule 7.1 under the Placement;
- (b) Resolutions 5 to 7 seek approval for the Directors of the Company to participate in the Placement up to a maximum of \$50,000 in aggregate; and
- (c) Resolution 8 seeks approval for the subsequent placement of any Shares that are not subscribed for under the Share Purchase Plan.

Details on each of these Resolutions are contained in this Notice.

7.2 General

Resolution 4 seeks Shareholder approval pursuant to Listing Rule 7.4 for ratification of the issue of 154,991,753 Shares which will be issued to institutional, professional and sophisticated investors who are not related parties of the Company on or around 5 November 2015 as part of the Placement.

Listing Rule 7.1 provides that a company must not (subject to specified exceptions), without the approval of shareholders, issue or agree to issue during any 12 month period any equity securities, or other securities with rights to conversion to equity (such as an option), if the number of those securities exceeds 15% of the number of ordinary securities on issue at the commencement of that 12 month period.

154,991,753 of the Shares issued under the Placement were issued within the Company's 15% annual limit permitted under Listing Rule 7.1, without the need for Shareholder approval, with the balance being issued under Listing Rule 7.1A also without the need for Shareholder approval.

Listing Rule 7.4 provides an exception to Listing Rule 7.1 that where a company in general meeting ratifies a previous issue of securities made pursuant to Listing Rule 7.1 (and provided

that the previous issue did not breach Listing Rule 7.1) the issue of those securities will be deemed to have been made with shareholder approval for the purpose of Listing Rule 7.1.

The effect of Shareholders passing Resolution 4 ratifying the issue of the Shares will be to restore the Company's ability to issue securities within the 15% placement capacity under Listing Rule 7.1 during the next 12 months.

Resolution 4 is an ordinary resolution.

7.3 Specific Information Required by Listing Rule 7.5

For the purposes of Listing Rule 7.5 information regarding the issue of the Shares is provided as follows:

- (a) 154,991,753 Shares will be issued by the Company on or around 5 November 2015.
- (b) The Shares were issued at an issue price of \$0.001 per Share.
- (c) The Shares are fully paid ordinary shares of the Company ranking equally with all other fully paid ordinary shares of the Company.
- (d) The Shares will be issued to institutional, professional and sophisticated investors who are not related parties of the Company.
- (e) The funds raised from the issue of the Shares will be used by the Company for general working capital for existing assets, business and administration costs (including the costs of the Capital Raising) and to assess further new opportunities.
- (f) A voting exclusion statement is included in the Notice.

8. Resolutions 5 to 7 – Authority for the Directors to participate in the Placement

8.1 General

It is proposed that each of the Directors and/or their nominees, participate in the Placement by subscribing for up to a total of 50,000,000 Shares at an issue price of \$0.001 each (**Director Placement Shares**). Further details of the Placement are set out in Section 7.1.

Listing Rule 10.11 provides that a company must not (subject to specified exceptions) issue or agree to issue equity securities to a related party without the approval of shareholders. Each of the Directors is a related party of the Company by virtue of being a Director. Therefore approval is required under Listing Rule 10.11 for the issue of the Director Placement Shares to them.

Resolutions 5 to 7 seeks Shareholder approval pursuant to Listing Rule 10.11 for the issue of the Director Placement Shares to the Directors. If approval is given under Listing Rule 10.11, Shareholder approval is not required under Listing Rule 7.1.

Furthermore, Shareholder approval of the issue of the Director Placement Shares means that these issues will not reduce the Company's 15% placement capacity under Listing Rule 7.1.

Resolutions 5 to 7 are ordinary resolutions.

8.2 Specific information required by Listing Rule 10.13

For the purposes of Listing Rule 10.13, information regarding the issue of the Director Placement Shares is provided as follows:

- (a) The maximum number of Shares to be issued to the Directors (and/or their nominees) is:

- (i) Mr Ray Barnes (and/or his nominees) – up to 20,000,000 Shares;
- (ii) Mr Dougal Ferguson (and/or his nominees) – up to 20,000,000 Shares;
- (iii) Mr Sam Willis (and/or his nominees) – up to 10,000,000 Shares; and
- (b) The Director Placement Shares will be issued no later than one month after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules) and it is intended that all of the Director Placement Shares will be issued on the same date.
- (c) Each of the Directors is a related party of the Company by virtue of being a Director.
- (d) The Director Placement Shares will be issued at an issue price of \$0.001 each.
- (e) The Director Placement Shares will comprise fully paid ordinary shares of the Company ranking equally with all other fully paid ordinary shares of the Company.
- (f) The funds raised from the issue of the Director Placement Shares will be aggregated with and used for the same purpose as the funds raised from the Shares issued pursuant to Resolution 4.
- (g) As Shareholder approval is sought under Listing Rule 10.11, approval under Listing Rule 7.1 is not required.
- (h) A voting exclusion statement is included in the Notice.

9. Resolution 8 – Authority to issue SPP Shortfall Shares

9.1 General

As was announced on 28 October 2015, the Company is proposing to offer eligible Shareholders the opportunity to participate in the Share Purchase Plan pursuant to which each Shareholder may apply for up to \$15,000 of Shares each at an issue price of \$0.001 per Share to raise up to \$309,984 (before costs). This may result in the issue of a maximum of 309,983,507 Shares (**Maximum SPP Shares**). The issue of Shares pursuant to the Share Purchase Plan itself does not require Shareholder approval under Listing Rule 7.1 as the terms upon which it is being conducted are within the parameters of Listing Rule 7.2, exception 15.

The Directors consider that it would be unlikely that no eligible Shareholders will apply for Shares under the Share Purchase Plan, however the Company may not receive subscriptions for the Maximum SPP Shares, in which case a shortfall may result (that number of Shares being the **SPP Shortfall Shares**). If eligible Shareholders do not apply for all of the available Shares under the Share Purchase Plan, the Directors wish to be in a position to issue those SPP Shortfall Shares to other parties who may wish to subscribe for those Shares.

A summary of Listing Rule 7.1 is provided in Section 7.2. Given the issue of any SPP Shortfall Shares under Resolution 8 will exceed the 15% threshold set out in Listing Rule 7.1 and none of the exceptions contained in Listing Rule 7.2 apply, Shareholder approval is required under Listing Rule 7.1.

Resolution 8 is an ordinary resolution.

9.2 Specific information required by Listing Rule 7.3

For the purposes of Listing Rule 7.3, information regarding the issue of the SPP Shortfall Shares is provided as follows:

- (a) The maximum number of Shares that the Company may issue pursuant to Resolution 8 is 309,983,507, being the Maximum SPP Shares (assuming no eligible Shareholders subscribe for any Shares under the Share Purchase Plan).

- (b) The Company will issue the SPP Shortfall Shares no later than three months after the date of the Meeting (or such later date to the extent permitted by an ASX waiver or modification of the Listing Rules).
- (c) The SPP Shortfall Shares will be issued at an issue price of \$0.001 per Share.
- (d) The identities of the persons to whom the Company proposes issuing the SPP Shortfall Shares are not currently known and have not been ascertained. It is expected that the SPP Shortfall Shares, if there is in fact a shortfall under the Share Purchase Plan, will be issued at the discretion of the Directors to institutional, professional and sophisticated investors. None of these persons will be related parties of the Company.
- (e) The SPP Shortfall Shares will comprise fully paid ordinary shares of the Company ranking equally with all other fully paid ordinary shares of the Company.
- (f) The funds raised from the issue of the SPP Shortfall Shares will be aggregated with and used for the same purpose as the funds raised from the Placement.
- (g) The issue of the SPP Shortfall Shares may occur progressively subject to Section 9.2(b).

10. Resolutions 9 to 11 – Approval of issue of Shares to Directors in lieu of Directors’ fees and salary

10.1 General

The Company proposes to grant a total of 85,250,000 Shares (**Director Shares**) to each of Directors, or their nominees, for nil cash consideration in lieu of \$85,250 of Directors’ fees and, in the case of Mr Ferguson, salary, for the 6 months commencing 1 October 2015 (being 50% of the amount of salary and fees that will be owing to these Directors for those 6 months) as follows:

Name	Directors’ Fees/Salary	Number of Shares ⁽¹⁾
Ray Barnes	\$11,250	11,250,000
Dougal Ferguson	\$65,000	65,000,000
Sam Willis	\$9,000	9,000,000
Total	\$85,250	85,250,000

1 The Company has determined the number of Shares to be issued to the Directors based on the proposed issue price of the Capital Raising of \$0.001 per Share.

The Director Shares are being issued in lieu of fees and salary on the condition that if the Director resigns from their position on or before 31 March 2016, they will be liable to pay for the Director Shares issued to them.

Shareholder approval is required under Listing Rule 10.11 to issue the Director Shares to each of the Directors because the Directors are related parties of the Company.

If approval for the issue of the Director Shares is given under Listing Rule 10.11, Shareholder approval is not required under Listing Rule 7.1. Shareholder approval of the issue of the Director Shares to the Directors pursuant to Listing Rule 10.11 means that these issues will not reduce the Company’s 15% placement capacity under Listing Rule 7.1.

If Shareholder approval is not received for the issue of the Shares pursuant to Resolution 9, 10 or 11, the Director(s) will be entitled to receive the relevant salary and/or fees in cash.

Resolutions 9 to 11 are ordinary resolutions.

10.2 Information required by Listing Rule 10.13

For the purposes of Listing Rule 10.13, information regarding the issue of the Director Shares is provided as follows:

- (a) The maximum number of Shares to be issued to the Directors (and/or their nominees) is:
 - (i) Mr Ray Barnes (and/or his nominees) – up to 11,250,000 Shares;
 - (ii) Mr Dougal Ferguson (and/or his nominees) – up to 65,000,000 Shares;
 - (iii) Mr Sam Willis (and/or his nominees) – up to 9,000,000 Shares; and
- (b) The Company will issue the Director Shares no later than one month after the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules).
- (c) Each of the Directors is a related party of the Company by virtue of being a Director.
- (d) The Director Shares will be issued for nil cash consideration in lieu of \$85,250 of Directors' fees and salary that will be payable for the six months commencing 1 October 2015 as set out in the table in Section 10.1. Accordingly no funds will be raised from the issue of the Director Shares, unless a Director resigns from his position on or before 31 March 2016, in which event he will be liable to pay for the Director Shares issued to him.
- (e) The Director Shares will comprise fully paid ordinary shares of the Company ranking equally with all other fully paid ordinary shares of the Company.
- (f) As Shareholder approval is sought under Listing Rule 10.11, approval under Listing Rule 7.1 is not required.
- (g) A voting exclusion statement is included in the Notice.

11. Resolution 12 – Approval of grant of Incentive Options to Mr Dougal Ferguson

11.1 General

Resolution 12 seeks Shareholder approval pursuant to Listing Rule 10.11 for the grant of a total of 75,000,000 Incentive Options to Mr Dougal Ferguson.

A summary of Listing Rule 10.11 is provided in Section 8.1. Approval under Listing Rule 10.11 is required to grant the Incentive Options to Mr Ferguson because he is a related party of the Company by virtue of being a Director of the Company. Approval pursuant to Listing Rule 7.1 is not required in order to grant the Incentive Options as approval is being obtained under Listing Rule 10.11.

Resolution 12 is an ordinary resolution.

11.2 Information required by Listing Rule 10.13

For the purposes of Listing Rule 10.13, information regarding the grant of the Incentive Options to Mr Dougal Ferguson is provided as follows:

- (a) The Incentive Options will be granted to Mr Ferguson and/or his nominees.
- (b) The maximum number of Incentive Options the Company will grant to Mr Ferguson is as follows:
 - (i) 37,500,000 Class A Incentive Options; and
 - (ii) 37,500,000 Class B Incentive Options.
- (c) The Company will grant the Incentive Options to Mr Ferguson and/or his nominees no later than one month after the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules).
- (d) The Incentive Options will be granted for nil cash consideration. Accordingly no funds will be raised from the grant of the Incentive Options.
- (e) The Incentive Options will be granted in two classes:

Class of Incentive Option	Vesting Date
Class A	12 months after the date of grant
Class B	24 months after the date of grant
- (f) The Incentive Options will be exercisable at the price which is 150% of the VWAP of Shares on the 10 days prior to the date of grant, on or before the date that is three years after the date of grant and otherwise have the terms and conditions set out in Schedule 1.
- (g) A voting exclusion statement is included in the Notice.

12. Resolution 13 – Approval of 10% Placement Facility

12.1 General

Listing Rule 7.1A enables eligible entities to issue Equity Securities up to 10% of its issued share capital through placements over a 12 month period after the annual general meeting (**10% Placement Facility**). The 10% Placement Facility is in addition to the Company's 15% placement capacity under Listing Rule 7.1.

An eligible entity for the purposes of Listing Rule 7.1A is an entity that is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300 million or less. The Company is an eligible entity.

While the Company has no current intention to use the 10% Placement Facility, the Company is now seeking Shareholder approval by way of a special resolution to have the ability, if required, to issue Equity Securities under the 10% Placement Facility.

The exact number of Equity Securities to be issued under the 10% Placement Facility will be determined in accordance with the formula prescribed in Listing Rule 7.1A.2 (refer to Section 12.2(c) below).

Any Equity Securities issued must be in the same class as an existing class of quoted Equity Securities. The Company currently has two classes of quoted Equity Securities on issue, being the Shares (ASX Code: EXR) and the Listed Options (ASX Code: EXRO).

The Directors of the Company believe that this Resolution is in the best interests of the Company and unanimously recommend that Shareholders vote in favour of this Resolution.

12.2 Description of Listing Rule 7.1A

(a) Shareholder approval

The ability to issue Equity Securities under the 10% Placement Facility is subject to shareholder approval by way of a special resolution at an annual general meeting.

(b) Equity Securities

Any Equity Securities issued under the 10% Placement Facility must be in the same class as an existing quoted class of Equity Securities of the Company.

The Company, as at the date of the Notice, has on issue two classes of quoted Equity Securities, being Shares and Listed Options.

(c) Formula for calculating 10% Placement Facility

Listing Rule 7.1A.2 provides that eligible entities which have obtained shareholder approval at an annual general meeting may issue or agree to issue, during the 12 month period after the date of the annual general meeting, a number of Equity Securities calculated in accordance with 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:

- (A) plus the number of fully paid shares issued in the 12 months under an exception in Listing Rule 7.2;
- (B) plus the number of partly paid shares that became fully paid in the 12 months;
- (C) plus the number of fully paid shares issued in the 12 months with approval of holders of shares under Listing Rule 7.1 and 7.4. This does not include an issue of fully paid shares under the entity's 15% placement capacity without shareholder approval;
- (D) less the number of fully paid shares cancelled in the 12 months.

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

D is 10%

E is the number of Equity Securities issued or agreed to be issued under Listing Rule 7.1A.2 in the 12 months before the date of the issue or agreement to issue that are not issued with the approval of shareholders under Listing Rule 7.1 or 7.4.

(d) Listing Rule 7.1 and Listing Rule 7.1A

The ability of an entity to issue Equity Securities under Listing Rule 7.1A is in addition to the entity's 15% placement capacity under Listing Rule 7.1.

The actual number of Equity Securities that the Company will have capacity to issue under Listing Rule 7.1A will be calculated at the date of issue of the Equity Securities in accordance with the formula prescribed in Listing Rule 7.1A.2 (refer to Section 12.2(c) above).

(e) Minimum Issue Price

The issue price of Equity Securities issued under Listing Rule 7.1A must be not less than 75% of the VWAP of Equity Securities in the same class calculated over the 15 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 five Trading Days of the date in paragraph (i) above, the date on which the Equity Securities are issued.
- (f) 10% Placement Period
- Shareholder approval of the 10% Placement Facility under Listing Rule 7.1A is valid from the date of the annual general meeting at which the approval is obtained and expires on the earlier to occur of:
- (i) the date that is 12 months after the date of the annual general meeting at which the approval is obtained; or
 - (ii) the date of the approval by shareholders of a transaction under Listing Rules 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking),
- (10% Placement Period).**

12.3 Listing Rule 7.1A

The effect of Resolution 13 will be to allow the Directors to issue Equity Securities under Listing Rule 7.1A during the 10% Placement Period without using the Company's 15% placement capacity under Listing Rule 7.1.

Resolution 13 is a special resolution and therefore requires approval of 75% of the votes cast by Shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative).

12.4 Specific information required by Listing Rule 7.3A

Pursuant to and in accordance with Listing Rule 7.3A, information is provided in relation to the approval of the 10% Placement Facility as follows:

- (a) The Equity Securities will be issued at an issue price of not less than 75% of the VWAP of Equity Securities in the same class calculated over the 15 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 five Trading Days of the date in paragraph (i) above, the date on which the Equity Securities are issued.
- (b) If Resolution 13 is approved by Shareholders and the Company issues Equity Securities under the 10% Placement Facility, the existing Shareholders' voting power in the Company will be diluted as shown in the below table. There is a risk that:
 - (i) the market price for the Company's Equity Securities may be significantly lower on the date of the issue of the Equity Securities than on the date of the Meeting; and
 - (ii) the Equity Securities issued under the 10% Placement Facility may be issued at a price that is at a discount to the market price for the Company's Equity Securities on the issue date or the Equity Securities are issued as part of the consideration for the acquisition of a new asset,

which may have an effect on the amount of funds raised by the issue of the Equity Securities.

The table below shows the dilution of existing Shareholders on the basis of the current market price of Shares and the current number of ordinary securities as at the date of this Meeting for variable "A" calculated in accordance with the formula in Listing Rule 7.1A(2) as at the date of this Notice.

The table also shows:

- (i) two examples where variable "A" has increased, by 50% and 100%. Variable "A" is based on the number of ordinary securities the Company has on issue. The number of ordinary securities on issue may increase as a result of issues of ordinary securities that do not require Shareholder approval (for example, a pro rata entitlements issue or scrip issued under a takeover offer) or future specific placements under Listing Rule 7.1 that are approved at a future Shareholders' meeting; and
- (ii) two examples of where the issue price of ordinary securities has decreased by 50% and increased by 100% as against the current market price.

Variable 'A' in Listing Rule 7.1A2		Dilution		
		\$0.0005 50% decrease in Issue Price	\$0.001 Issue Price	\$0.002 100% increase in Issue Price
Current Variable A 1,291,597,945 Shares	10% voting dilution	129,159,795	129,159,795	129,159,795
	Funds raised	\$64,580	\$129,160	\$258,320
50% increase in current Variable A 1,937,396,918 Shares	10% voting dilution	193,739,692	193,739,692	193,739,692
	Funds raised	\$96,870	\$193,740	\$387,479
100% increase in current Variable A 2,583,195,890 Shares	10% voting dilution	258,319,589	258,319,589	258,319,589
	Funds raised	\$129,160	\$258,320	\$516,639

The table has been prepared on the following assumptions:

- (i) The Company issues the maximum number of Equity Securities available under the 10% Placement Facility.
- (ii) No Options are exercised into Shares before the date of the issue of the Equity Securities.

- (iii) 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%.
 - (iv) 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 Facility, based on that Shareholder's holding at the date of the Meeting.
 - (v) The table shows only the effect of issues of Equity Securities under Listing Rule 7.1A, not under the 15% placement capacity under Listing Rule 7.1.
 - (vi) The issue of Equity Securities under the 10% Placement Facility consists only of Shares. If the issue of Equity Securities includes listed Options, it is assumed that those listed Options are exercised into Shares for the purpose of calculating the voting dilution effect on existing Shareholders.
 - (vii) The issue price is \$0.001, being the closing price of the Shares on ASX of \$0.001 on 23 October 2015.
- (c) The Company will only issue the Equity Securities during the 10% Placement Period. The approval under Resolution 13 for the issue of Equity Securities pursuant to the 10% Placement Facility will cease to be valid in the event that Shareholders approve a transaction under Listing Rule 11.1.2 (a significant change to the nature or scale of activities or Listing Rule 11.2 (disposal of main undertaking).
- (d) The Company may seek to issue the Equity Securities for the following purposes:
- (i) non-cash consideration in relation to the acquisition of new resource assets and investments. In such circumstances the Company will provide a valuation of the non-cash consideration as required by Listing Rule 7.1A.3; or
 - (ii) cash consideration. In such circumstances, the Company intends to use funds raised towards the ongoing costs associated with the exploration of its existing projects and to investigate additional acquisitions to complement these projects. Funds raised will be used to meet cash payments in connection with these projects or any additional acquisitions, while also being used to fund subsequent exploration activities associated with any new acquisitions.

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) The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue pursuant to the 10% Placement Facility. The identity of the recipients of Equity Securities will be determined on a case-by-case basis having regard to the factors including but not limited to the following:
- (i) the methods of raising funds that are available to the Company, including but not limited to, rights issues or other issues in which existing security holders can participate;
 - (ii) the effect of the issue of the Equity Securities on the control of the Company;
 - (iii) the financial situation and solvency of the Company; and
 - (iv) advice from corporate, financial and broking advisers (if applicable).

The recipients under the 10% Placement Facility have not been determined as at the date of this Notice but may include existing substantial Shareholders and/or new

Shareholders who are not related parties or associates of a related party of the Company.

Further, if the Company is successful in acquiring new resources assets or investments, it is likely that the recipients under the 10% Placement Facility will be the vendors of the new resources assets or investments.

- (f) The Company previously obtained Shareholder approval under Listing Rule 7.1A at the Company's 2014 AGM.
- (g) In the 12 months preceding the date of this Notice, the Company has not issued any Equity Securities. However the Company is proposing to conduct the Capital Raising and it is expected that that the Placement (other than the issue of the Director Placement Shares) will have completed prior to the Meeting. The maximum number of Shares that may be issued under the Placement (other than the Director Placement Shares) is 258,319,589 Shares which represents 25% of the total number of Equity Securities on issue at the commencement of that 12 month period, being 1,033,278,356 Shares. The Equity Securities that may be issued in the 12 months preceding the date of the Meeting are as follows:

Date of Issue	Ordinary Shares	Options	Issued to or basis of issue	Amount Raised Use of funds or non-cash Consideration
Expected to be issued on or around 5 November 2015	154,991,753 Shares to be issued at an issue price \$0.001.	-	The issue will be made under the Company's 15% placement capacity under section 7.1 of the ASX Listing Rules. The Shares will be issued to persons who qualify as professional and sophisticated investors.	Total cash of \$154,992 to be raised. The monies are to be utilised for progressing the Acquisition and for general working capital purposes.
Expected to be issued on or around 5 November 2015	103,327,836 Shares to be issued at an issue price \$0.001.	-	The issued will be made under the Company's 10% additional placement capacity under section 7.1A of the ASX Listing Rules. The Shares will be issued to persons who qualify as professional and sophisticated investors.	Total cash of \$103,328 to be raised. The monies are to be utilised for progressing the Acquisition and for general working capital purposes.

- (h) The Company's cash balance on 30 November 2014 was approximately \$1,690,385. The Company did not raise any cash in the period from 30 November 2014 until the

date of this Notice. The Company's cash balance at the date of this Notice is approximately \$210,000. However the Company is expecting to raise up to \$258,000 from the Placement (other than the issue of the Director Placement Shares) which is expected to be completed prior to the date of the Meeting. Funds raised are intended to be used to fund progressing the Acquisition and for the holding costs of the Company's assets and general working capital.

- (i) A voting exclusion statement is included in the Notice. At the date of the Notice, the Company has not approached any particular existing Shareholder or security holder or an identifiable class of existing security holder to participate in the issue of the Equity Securities. No existing Shareholder's votes will therefore be excluded under the voting exclusion in the Notice.

13. Resolution 14 – Approval of General Placement Facility

13.1 Background

The Company seeks prior Shareholder approval under Listing Rule 7.1 for the issue of up to 400,000,000 Shares (**General Placement Facility Shares**) at an issue price that is at least 80% of the average market price of the Company's Shares over the last 5 days on which sales of the Company's Shares are recorded before the date of issue of the General Placement Facility Shares (or, if a prospectus or offer information statement is issued in relation to the placement, before the date of signing of that document). "Market price" means the closing price for the Company's Shares on ASX (excluding special crossings and overnight sales) on the relevant five trading days.

A summary of Listing Rule 7.1 is contained in Section 7.2.

Resolution 14 is an ordinary resolution.

13.2 Specific information required by Listing Rule 7.3

For the purposes of Listing Rule 7.3, information regarding the General Placement Facility is provided as follows:

- (a) The maximum number of Shares that the Company may issue under the proposed general placement facility is 400,000,000 Shares.
- (b) The General Placement Facility Shares may be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by an ASX waiver or modification of the Listing Rules).
- (c) The General Placement Facility Shares will be issued at an issue price per Share calculated in accordance with Listing Rule 7.3.3 of at least 80% of the average market price of the Company's Shares over the last 5 days on which sales of the Company's Shares are recorded before the date of issue of the General Placement Facility Shares (or, if a prospectus or offer information statement is issued in relation to the issue, before the date of signing of that document).
- (d) The identities of the persons to whom the Company proposes issuing the General Placement Facility Shares are not currently known and have not been ascertained. It is envisaged that the General Placement Facility Shares, if the placement proceeds, will be issued at the discretion of the Directors to institutional, professional and sophisticated investors. None of these persons will be related parties of the Company.

- (e) The General Placement Facility Shares will comprise fully paid ordinary shares of the Company ranking equally with all other fully paid ordinary shares of the Company.
- (f) The funds raised by the issue of General Placement Facility Shares will be used towards the ongoing costs associated with the exploration of the Company's existing projects and to investigate additional acquisitions to complement these projects. Funds raised will be used to meet cash payments in connection with these projects or any additional acquisitions, while also being used to fund subsequent exploration activities associated with any new acquisitions. The funds may also be used to provide working capital.
- (g) The issue of the General Placement Facility Shares may occur progressively.
- (h) A voting exclusion statement is included in the Notice.

14. Resolution 14 – Approval of issue of Hartleys Securities

14.1 Background

The Company has a capital raising and corporate advisory mandate with Hartleys under which the Company has agreed, subject to Shareholder approval, to issue 20,000,000 Shares in lieu of \$20,000 fees under the mandate and to also grant Hartley 40,000,000 Advisor Options (being 20,000,000 Class A Advisor Options and 20,000,000 Class B Advisor Options). The issue of the Hartleys Securities is conditional on completion of the Acquisition which was announced to the ASX on 26 October 2015.

A summary of Listing Rule 7.1 is contained in Section 7.2.

Resolution 14 is an ordinary resolution.

14.2 Specific information required by Listing Rule 7.3

For the purposes of Listing Rule 7.3, information regarding the issue of the Hartleys Securities is provided as follows:

- (a) The maximum number of Securities that the Company may issue is 20,000,000 Shares and 40,000,000 Advisor Options (being 20,000,000 Class A Advisor Options and 20,000,000 Class B Advisor Options).
- (b) The Hartleys Securities may be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by an ASX waiver or modification of the Listing Rules) but subject to completion of the Acquisition occurring.
- (c) The Hartleys Securities will be issued in lieu of payment of fees under a capital raising and corporate advisory mandate with Hartleys. Accordingly no funds will be raised from the issue of the Hartleys Securities.
- (d) The Hartleys Securities will be issued to Hartleys.
- (e) The Shares will comprise fully paid ordinary shares of the Company ranking equally with all other fully paid ordinary shares of the Company and the Advisor Options will have the terms and conditions in Schedule 1 save that they will have an expiry date of 1 December 2017.
- (f) The issue of the Hartleys Securities may occur progressively.
- (g) A voting exclusion statement is included in the Notice.

15. Definitions

10% Placement Facility has the meaning given in Section 12.1.

10% Placement Period has the meaning given in Section 12.2(f).

Acquisition means the acquisition of the 57% participating interest in the Cliff Head offshore oil project.

Advisor Option means an option issued on the same terms and conditions as the Incentive Options save that the expiry date will be 1 December 2017.

Annual Report means the Directors' Report, the Financial Report and Auditor's Report in respect to the financial year ended 30 June 2015.

Article means an article of the Constitution.

ASIC means Australian Securities and Investments Commission.

ASX means ASX Limited (ACN 008 624 691) and, where the context permits, the Australian Securities Exchange operated by ASX.

Auditor's Report means the auditor's report on the Financial Report.

Board means the board of Directors.

Capital Raising has the meaning given in Section 7.1.

Chairman means the person appointed to chair the Meeting.

Class A Incentive Option means an Incentive Option with the relevant vesting date in the table in Section 11.2(e).

Class B Incentive Option means an Incentive Option with the relevant vesting date in the table in Section 11.2(e).

Closely Related Party has the meaning in section 9 of the Corporations Act.

Company or **Elixir** means Elixir Petroleum Limited ACN 108 230 995.

Constitution means the constitution of the Company.

Corporations Act means the Corporations Act 2001 (Cth).

Director means a director of the Company.

Director Placement Shares has the meaning given in Section 8.1.

Director Shares has the meaning given in Section 10.1

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

Equity Securities has the same meaning as in the Listing Rules.

Explanatory Memorandum means the explanatory memorandum attached to the Notice.

Financial Report means the annual financial report prepared under Chapter 2M of the Corporations Act of the Company and its controlled entities.

General Placement Facility Shares has the meaning given in Section 13.1.

Group means the Company and its subsidiaries.

Hartleys means Hartleys Limited ACN 104 195 057.

Hartleys Securities has the meaning in Resolution 15.

Incentive Option means an Option granted on the terms and conditions set out in Schedule 1.

Key Management Personnel means a person having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any Director (whether executive or otherwise) of the Company.

Listed Options means Options each exercisable at \$0.015 on or before 30 September 2016 listed on ASX under the code EXRO.

Listing Rules means the listing rules of ASX.

Maximum SPP Shares has the meaning given in Section 9.1.

Meeting has the meaning in the introductory paragraph of the Notice.

Notice means this notice of meeting.

Option means an option which entitles the holder to subscribe for one Share.

Placement has the meaning given in Section 7.1.

Proxy Form means the proxy form attached to the Notice.

Remuneration Report means the remuneration report of the Company contained in the Directors' Report.

Resolution means a resolution contained in this Notice.

Schedule means a schedule to this Notice.

Section means a section contained in this Explanatory Memorandum.

Security means a Share or Option.

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

Shareholder means a shareholder of the Company.

SPP Shortfall Shares has the meaning given in Section 9.1.

Trading Day means a day determined by ASX to be a trading day in accordance with the Listing Rules.

VWAP means volume weighted average price.

WST means Western Standard Time, being the time in Perth, Western Australia.

In this Notice, words importing the singular include the plural and vice versa.

Schedule 1 – Terms and Conditions of Incentive Options

(a) **Entitlement**

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

(b) **Exercise price and Vesting Date**

The exercise price of each Incentive Option is the price which is 150% of the VWAP of Shares on the 10 days prior to the date of grant.

(c) **Vesting Date**

The vesting date of each Incentive Option is set out in the table below.

Incentive Option Class	Vesting Date
Class A	12 months after the date of grant
Class B	24 months after the date of grant

(d) **Expiry date**

The expiry date of each Incentive Option is the earlier of:

- (i) the date that is three years after the date of grant; or
- (ii) in respect of the Incentive Options that have not already vested by the Vesting Date referred to in the table in item (c) above, the date the holder ceases to be employed by the Group, because of voluntary cessation or by mutual agreement, unless the Board resolves otherwise.

(e) **Exercise period**

An Incentive Option may only be exercised at any time after the Vesting Date in the table in item (c) above and prior to the date that the Incentive Option expires in item (d) above.

(f) **Notice of exercise**

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

(g) **Shares issued on exercise**

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

(h) **Incentive Options not quoted**

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

(i) **Quotation of Shares on exercise**

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

(j) **Timing of issue of Shares**

After an Incentive Option is validly exercised, the Company must as soon as possible:

(i) issue the Share; and

(ii) do all such acts, matters and things to obtain:

(A) the grant of quotation for the Share on ASX no later than 5 days from the date of exercise of the Incentive Option; and

(B) receipt of cleared funds equal to the sum payable on the exercise of the Incentive Option.

(k) **Participation in new issues**

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

(l) **Adjustment for bonus issues of Shares**

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

(i) the number of Shares which must be issued on the exercise of a Incentive Option will be increased by the number of Shares which the option holder would have received if the option holder had exercised the Incentive Option before the record date for the bonus issue; and

(ii) no change will be made to the Exercise Price.

(m) **Adjustment for rights issue**

If the Company makes an issue of Shares pro rata to existing Shareholders there will be no adjustment of the Exercise Price of an Incentive Option.

(n) **Adjustments for reorganisation**

If there is any reconstruction of the issued share capital of the Company, the rights of the Incentive Option holder may be varied to comply with the Listing Rules which apply to the reconstruction at the time of the reconstruction.

(o) **Incentive Options not transferable**

The Incentive Options are not transferable.

(p) **Lodgement instructions**

Cheques shall be in Australian currency made payable to the Company and crossed "Not Negotiable". The application for Shares on exercise of the Incentive Options with the appropriate remittance should be lodged at the Company's share registry.

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ELIXIR PETROLEUM LIMITED

ACN 108 230 995

PROXY FORM

The Company Secretary
Elixir Petroleum Limited

By post:

PO Box 1070,
West Perth WA 6872

By Email:

info@elixirpetroleum.com

Step 1 – Appoint a Proxy to Vote on Your Behalf

I/We ¹ _____

of _____

being a Shareholder/Shareholders of the Company and entitled to _____
votes in the Company, hereby appoint:

The Chairman of the Meeting (mark box)

☐

OR if you are **NOT** appointing the Chairman of the Meeting as your proxy, please write the name and address of the person or body corporate (excluding the registered shareholder) you are appointing as your proxy

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 on my/our behalf at the Meeting of the Company to be held at Level 2, 1174 Hay Street, West Perth, Western Australia on 30 November 2015 at 10am (WST) and at any adjournment or postponement of the Meeting 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.

Important – If the Chairman of the Meeting is your proxy or is appointed your proxy by default

The Chairman of the Meeting intends to vote all available proxies in favour of Resolutions 1 and 9 to 12. If the Chairman of the Meeting is your proxy or is appointed your proxy by default, unless you indicate otherwise by ticking either the 'for', 'against' or 'abstain' box in relation to Resolutions 1 and 9 to 12, you will be authorising the Chairman to vote in accordance with the Chairman's voting intentions on Resolutions 1 and 9 to 12, even if Resolutions 1 and 9 to 12, are connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

Proxy appointments will only be valid and accepted by the Company if they are made and received no later than 48 hours before the meeting.

Please read the voting instructions overleaf before marking any boxes with an .

Step 2 – Instructions as to Voting on Resolutions

INSTRUCTIONS AS TO VOTING ON RESOLUTIONS

The proxy is to vote for or against the Resolutions referred to in the Notice as follows:

		For	Against	Abstain
Resolution 1	Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Re-election of Mr Ray Barnes as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Re-election of Mr Sam Willis as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Ratification of issue of Shares as part of the Placement	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5	Authority for Mr Ray Barnes to participate in the Placement	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6	Authority for Mr Dougal Ferguson to participate in the Placement	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 7	Authority for Mr Sam Willis to participate in the Placement	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 8	Authority to issue SPP Shortfall Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Resolution 9	Approval for issue of Shares to Mr Ray Barnes in lieu of Director fees	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 10	Approval for issue of Shares to Mr Dougal Ferguson in lieu of salary	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 11	Approval for issue of Shares to Mr Sam Willis in lieu of Director fees	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 12	Approval of grant of Incentive Options to Mr Dougal Ferguson	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 13	Approval of 10% Placement Facility	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 14	Approval of General Placement Facility	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 15	Issue of Securities to Hartleys	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

* If you mark the Abstain box for a particular Resolution, 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.

Authorised signature/s

This section **must** be signed in accordance with the instructions below to enable your voting instructions to be implemented.

The Chairman of the Meeting intends to vote undirected proxies in favour of each Resolution.

Individual or Shareholder 1	Shareholder 2	Shareholder 3
<input type="text"/>	<input type="text"/>	<input type="text"/>
Sole Director and Sole Company Secretary	Director	Director/Company Secretary

Contact Name

Contact Daytime Telephone

Date

¹ Insert name and address of Shareholder

Proxy Notes:

A Shareholder entitled to attend and vote at the Meeting may appoint a natural person as the Shareholder's proxy to attend and vote for the Shareholder at that Meeting. If the Shareholder is entitled to cast 2 or more votes at the Meeting the Shareholder may appoint not more than 2 proxies. Where the Shareholder appoints more than one proxy the Shareholder may specify the proportion or number of votes each proxy is appointed to exercise. If such proportion or number of votes is not specified each proxy may exercise half of the Shareholder's votes. A proxy may, but need not be, a Shareholder of the Company.

If a Shareholder appoints a body corporate as the Shareholder's proxy to attend and vote for the Shareholder at that Meeting, the representative of the body corporate to attend the Meeting must produce the Certificate of Appointment of Representative prior to admission. A form of the certificate may be obtained from the Company's share registry.

You must sign this form as follows in the spaces provided:

Joint Holding: where the holding is in more than one name all of the holders should sign.

Power of Attorney: if signed under a Power of Attorney, you must have already lodged it with the registry, or alternatively, attach a certified photocopy of the Power of Attorney to this Proxy Form when you return it.

Companies: a Director can sign jointly with another Director or a Company Secretary. A sole Director who is also a sole Company Secretary can also sign. Please indicate the office held by signing in the appropriate space.

If a representative of the corporation is to attend the Meeting the appropriate "Certificate of Appointment of Representative" should be produced prior to admission. A form of the certificate may be obtained from the Company's Share Registry.

Proxy Forms (and the power of attorney or other authority, if any, under which the Proxy Form is signed) or a copy or facsimile which appears on its face to be an authentic copy of the Proxy Form (and the power of attorney or other authority) must be deposited at or received by facsimile transmission or electronic mail at the address stipulated on this Proxy Form no later than 48 hours prior to the time of commencement of the Meeting (WST).