

# Notice of Annual General Meeting

Talon Petroleum Limited ACN 153 229 086

Notice is given that an Annual General Meeting (**AGM**) of Talon Petroleum Limited ACN 153 229 086 (**Company**) will be held at McCullough Robertson Lawyers, Level 11, 66 Eagle Street, Brisbane, Queensland 4000 on 28 April 2015 at 3.00pm (Brisbane time).

## ORDINARY BUSINESS

### **Financial statements and reports**

To receive and consider the Company's financial reports and the reports of the directors and the auditor for the financial year ended 31 December 2014.

### **Resolution 1: Remuneration Report**

- 1 To consider and, if thought fit, pass the following resolution as an ordinary resolution:
- That the Remuneration Report contained in the Company's annual report for the financial year ended 31 December 2014 be adopted.*

Resolution 1 is advisory only and does not bind the directors or the Company.

### **Resolution 2: Re-election of Mr Peter Love**

- 2 To consider and, if thought fit, pass the following resolution as an ordinary resolution:
- That Mr Peter Love, a director retiring in accordance with clauses 56.2 and 57.1 of the Company's constitution, and being eligible for re-election, is re-elected as a director.*

### **Resolution 3: Re-election of Mr Peter Evans**

- 3 To consider and, if thought fit, pass the following resolution as an ordinary resolution:
- That Mr Peter Evans, a director retiring in accordance with clause 56.2 of the Company's constitution, and being eligible for re-election, is re-elected as a director.*

### **Resolution 4: Disposal of main undertaking**

- 4 To consider and, if thought fit, pass the following resolution as an ordinary resolution:
- That for the purposes of ASX Listing Rule 11.2 and for all other purposes, approval is given for the disposal of some or all of the Company's interests in oil and gas leases and associated infrastructure, in the project known as 'MR Olmos', being the main undertaking of the Company, at a price of no less than USD\$5,000,000 (including any non-cash consideration), on the terms and conditions set out in the explanatory memorandum.*

### **Resolution 5: Cancellation of options**

- 5 To consider and, if thought fit, pass the following resolution as an ordinary resolution:
- That for the purposes of Listing Rule 6.23.2 and for all other purposes, approval is given to cancel some or all of the options identified in the explanatory memorandum for consideration no more than that set out in the explanatory memorandum.*

## SPECIAL BUSINESS

### **Resolution 6: Increase in share issue capacity**

- 6 To consider and, if thought fit, pass the following resolution as a special resolution:
- That pursuant to and in accordance with ASX Listing Rule 7.1A, and for all other purposes, the members approve the issue of fully paid ordinary shares up to 10% of the issued capital of the Company (at the time of the issue) calculated in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 and on the terms and conditions set out in the explanatory memorandum.*

### **Resolution 7: Adoption of new constitution**

- 7 To consider and, if thought fit, pass the following resolution as a special resolution:
- That the new constitution tabled at the meeting and signed by the Chairman of the meeting for the purposes of identification, be adopted as the constitution of the Company in place of the current constitution, with effect from the close of the meeting.*

The explanatory memorandum attached to this notice is incorporated into and forms part of this notice. A detailed explanation of the background and reasons for the proposed resolutions is set out in the explanatory memorandum.

Dated 27 March 2015

By order of the board

A handwritten signature in black ink, appearing to read "Andrew Crawford".

Andrew Crawford  
Company Secretary

## NOTES

### Voting generally

A member who is entitled to attend and cast a vote at the meeting is entitled to appoint a proxy. The proxy need not be a member of the Company. A member who is 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. If you wish to appoint a proxy and are entitled to do so, then complete and return the attached proxy form. A corporation may elect to appoint a representative in accordance with the *Corporations Act 2001* (Cth) in which case the Company will require written proof of the representative's appointment which must be lodged with or presented to the Company before the meeting. If you have any queries on how to cast your votes then call Andrew Crawford (Company Secretary) on + 61 2 4925 3800 during business hours.

### Voting exclusion statement

The Corporations Act and the ASX Listing Rules require that certain persons must not vote, and the Company must disregard any votes cast by certain persons, on some of the resolutions to be considered at the meeting. For the purpose of these voting exclusions:

- (a) the relevant interpretation of associate is the interpretation in section 11 and sections 13 to 17 of the Corporations Act with section 13 to be applied as if it was not confined to associate references occurring in Chapter 7 of the Corporations Act;
- (b) the Key Management Personnel (**KMP**) of the Company's consolidated group are those persons having authority and responsibility for planning, directing and controlling the activities of the Company's consolidated group either directly or indirectly. It includes all directors (executive and non-executive) and selected members of the management team. The KMP of the Company's consolidated group during the financial year ended 31 December 2014 are listed in the financial statements for the financial year ended 31 December 2014 contained in the Company's Annual Report; and
- (c) a Closely Related Party (**CRP**) of a member of the KMP means:
  - (i) a spouse or child of the member;
  - (ii) a child of the member's spouse;
  - (iii) a dependant of the member or of the member's spouse;
  - (iv) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealings with the Company's consolidated group; or
  - (v) a company the member controls.

These voting exclusions are described in the table set out below:

Resolution	Who is excluded from voting on the resolution?		
	As a member?	As holder of a directed proxy?	As holder of an undirected proxy?
<b>Resolution 1:</b> Remuneration Report	KMP named in the Remuneration Report and their CRP	Proxy holder for KMP named in the Remuneration Report or their CRP	Proxy holder for KMP named in the Remuneration Report or their CRP Proxy holder who is a KMP or a CRP of a KMP ( <b>subject to Note 1 below</b> )
<b>Resolution 2:</b> Re-election of Mr Peter Love as a director	No exclusions	No exclusions	No exclusions
<b>Resolution 3:</b> Re-election of Mr Peter Evans as a director	No exclusions	No exclusions	No exclusions
<b>Resolution 4:</b> Disposal of main undertaking	Any person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, and any of their associates	Proxy holder for any person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, and any of their associates	Proxy holder for any person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, and any of their associates ( <b>subject to Note 2 below</b> )
<b>Resolution 5:</b> Cancellation of options	A person who holds options that is subject to the approval and any of their associates	Proxy holder for any person who holds options that is subject to the approval and any of their associates	Proxy holder for any person who holds options that is subject to the approval and any of their associates ( <b>subject to Note 2 below</b> ) Proxy holder who is a KMP or a CRP of a KMP ( <b>subject to Note 1 below</b> )
<b>Resolution 6:</b> Increase in share issue capacity	Any person who may participate in the issue of fully paid ordinary shares under Resolution 6 and any person who might obtain a benefit (except a benefit solely in the capacity of a holder of fully paid ordinary shares), if Resolution 6 is passed, and any associates of those persons ( <b>subject to Note 3 below</b> )	Proxy holder for any person who may participate in the issue of fully paid ordinary shares under Resolution 6 and any person who might obtain a benefit (except a benefit solely in the capacity of a holder of fully paid ordinary shares), if Resolution 6 is passed, and any associates of those persons ( <b>subject to Note 3 below</b> )	Proxy holder for any person who may participate in the issue of fully paid ordinary shares under Resolution 6 and any person who might obtain a benefit (except a benefit solely in the capacity of a holder of fully paid ordinary shares), if Resolution 6 is passed, and any associates of those persons ( <b>subject to Notes 2 and 3 below</b> )
<b>Resolution 7:</b> Adoption of new Company constitution	No exclusions	No exclusions	No exclusions

**Note 1:** The chair of the Meeting (**Chairman** or **Chair**) will be entitled to vote an undirected proxy if the proxy appointment expressly authorises the Chair to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the KMP.

**Note 2:** The Chair will be entitled to vote an undirected proxy if the proxy appointment includes a direction to vote as the proxy decides.

**Note 3:** At the date of this notice, the proposed allottees of any fully paid ordinary shares which may be issued in accordance with Resolution 6 are not as yet known or identified. In accordance with the note set out in ASX Listing Rule 14.11.1 relating to ASX Listing Rules 7.1 and 7.1A, for a person's vote to be excluded, it must be known that that person will participate in the proposed issue. If this remains the case as at the date of the meeting, it will not be necessary to exclude any voting on this resolution.

# Explanatory memorandum

Talon Petroleum Limited ACN 153 229 086

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## Ordinary business

### Financial statements and reports

- 1 Section 317 of the *Corporations Act 2001* (Cth) (**Corporations Act**) requires that the directors' report, the auditor's report and the financial report for the Company and its controlled entities for the financial year ended 31 December 2014 be put before the meeting. In addition the Company's constitution provides for these reports to be received and considered at the meeting.
- 2 Neither the Corporations Act nor the Company's current constitution requires a vote of members at the annual general meeting on the financial statements and reports. However members will be given reasonable opportunity at the meeting to raise questions with respect to these reports, as well as on the business, operations and management of the Company.
- 3 A reasonable opportunity will also be provided for members at the Meeting to ask the auditor questions relevant to the conduct of the audit, the preparation and content of the auditor's report, the accounting policies adopted by the Company in relation to the preparation of the financial statements and the independence of the auditor in relation to the conduct of the audit.

### Resolution 1: Remuneration Report

- 4 Pursuant to section 250R of the Corporations Act, the Company's Remuneration Report for the financial year ended 31 December 2014, which is set out in the Annual Report, has been submitted to members for consideration and adoption. The Remuneration Report: (a) explains the board's policies in relation to the nature and level of remuneration paid to directors, senior executives and other KMP; (b) discusses the link between the board's policies and the Company's performance; (c) sets out the remuneration details for each member of a KMP; and (d) makes clear that the basis for remunerating non-executive directors is distinct from executives.
- 5 Members will have an opportunity to ask questions about, or comment on, the Remuneration Report. The board will consider the outcome of the vote and comments made by members on the Remuneration Report at the meeting when reviewing the Company's remuneration policies.
- 6 Members should note that, in accordance with section 250R(3) of the Corporations Act, the vote on Resolution 1 is advisory only and does not bind the Company or its directors.
- 7 However, under the Corporations Act, if 25% or more of votes that are cast are voted against the adoption of the Remuneration Report at two consecutive annual general meetings, members will be required to vote at the second of those annual general meetings on a resolution (a "spill resolution") that another meeting be held within 90 days at which all of the Company's directors, other than a managing director who may, in accordance with the ASX Listing Rules, continue to hold office indefinitely without being re-elected to the office, must be re-elected.

### Resolution 2: Re-election of Mr Peter Love

- 8 On 15 September 2014, Mr Peter Love was appointed to the board. The ASX Listing Rules and the Company's constitution require that a director appointed in this manner must retire from

office at the next annual general meeting of the Company. In addition, the Company must also hold an election of directors each year - with one third of the directors (and if the number is not a multiple of three, then the number nearest to but not more than one third) to retire from office at each annual general meeting of the Company. In satisfaction of those requirements, Mr Love will retire from office and, being eligible, offer himself for re-election.

- 9 Mr Love is a substantial holder of the Company and a non-executive director. He was appointed chairman on 3 November 2014. Mr Love has extensive experience in ASX listed small cap oil and gas companies in the US as well as equity capital markets. He currently manages capital raising and investor relations for Byron Energy Limited (formerly Trojan Equity Limited). From 2008 to mid-2011 Peter was Vice President of Operations for Maverick Drilling and Exploration Limited, a Houston, Texas-based oilfield operator and contract driller listed on ASX. Prior to his role at Maverick, Peter was Assistant Fund Manager at ASX listed Trojan Equity Limited from 2006 to 2008. Peter is a former director of DMX Corporation Limited and holds a Bachelor of Arts (majoring in English and Political Science) from the University of Queensland.
- 10 The directors (Mr Love abstaining) recommend that you vote in favour of Resolution 2.

### **Resolution 3: Re-election of Mr Peter Evans**

- 11 On 3 November 2014, Mr Peter Evans was appointed to the board. The ASX Listing Rules and the Company's constitution require that a director appointed in this manner must retire from office at the next annual general meeting of the Company. In satisfaction of those requirements, Mr Evans will retire from office and, being eligible, offer himself for re-election.
- 12 Mr Peter Evans' stockbroking career spanned 30 years at Paul E Morgan & Co and subsequent entities including Morgans Stockbroking, ABN Amro Morgans and RBS Morgans. He was a director of Morgans from 1984 until 2003 and remained a director until his retirement in 2013. He is Chairman of Sleepy's Pty Ltd, QEnergy Limited and Right at Home Australia. Mr Evans is serving and has served on a number of other boards over the years. He holds a Bachelor of Commerce and a Diploma of Advanced Accounting from the University of Queensland.
- 13 The directors (Mr Evans abstaining) recommend that you vote in favour of Resolution 3.

### **Resolution 4: Disposal of main undertaking**

- 14 As announced to the market on 27 February 2015, the board has maintained an intense focus on reducing company overheads, while entertaining discussions on the purchase of its working interests in various projects, most notably the MR Olmos project.
- 15 The board has not currently agreed terms for the sale of the MR Olmos project, although it is in very preliminary discussions with a number of interested parties. Should commercial terms be such that the sale is at the asset level (i.e. the oil gas leases and associated infrastructure) or of a subsidiary of the Company, such disposal will likely constitute a disposal of the Company's main undertaking, which would require member approval pursuant to ASX Listing Rule 11.2.
- 16 To ensure that a sale of the MR Olmos project can be completed quickly, and the consideration put to use most efficiently (most likely by returning the funds to members), member approval is sought, for the purpose of Listing Rule 11.2, to dispose of some or all of the Company's interests in the MR Olmos project at a price no less than USD\$5,000,000 (including in respect of any non-cash consideration). For the purpose of this proposed resolution, the disposal might involve a transfer of the relevant oil and gas leases and associated infrastructure, or a sale of the shares in a subsidiary of the Company holding those assets. It goes without saying that the board will aim to maximise any sale price, but the approval sought in the resolution will at least give the board scope to act quickly, should the opportunity for a sale on reasonable terms arise.

- 17 The further information on the MR Olmos project, members are directed to the Company's website (<http://www.talonpetroleum.com.au>), including the announcements of 27 February 2015, 14 January 2015, 12 January 2015, 11 December 2014, 17 November 2014, 14 October 2014, 13 October 2014, 8 October 2014 and 1 October 2014.
- 18 Should the Company sell the MR Olmos project, the board intends to redeploy funds into other oil and gas projects or return excess capital to members. The Company will continue to operate in the oil and gas sector and will continue to hold interests in a number of oil and gas leases.
- 19 The directors recommend that you vote in favour of Resolution 4.

## **Resolution 5: Cancellation of options**

- 20 The Company has 2,683,338 unquoted options on issue, as follows:

Description	Expiry date	Exercise price	Number of options	Consideration
Wandoo Energy LLC	20 June 2018	\$0.0675	1,200,000	\$1,284
Cliff Foss	7 March 2019	\$0.0675	1,200,000	\$1,956
Previous employees and contractors	7 March 2019	\$0.0675	283,338	\$462

- 21 To simplify the Company's capital structure for the purpose of any corporate level transactions (such as takeover of the Company), the board has determined it prudent to take steps to cancel the options at an arm's length valuation. In particular, although the options are unlikely to restrict a takeover of the Company being made, the existence of the options will potentially give rise to timing issues and additional costs in the context of a control transaction.
- 22 The consideration has been calculated using a Black-Scholes pricing model, with a share price of \$0.015, interest rate of 6.00% and a share price volatility of 55%. On that basis, the options expiring on 7 March 2019 (held by Cliff Foss and other previous employees/contractors) are valued at 0.163 cents per option and those on 20 June 2018 (Wandoo Energy LLC), at 0.107 cents per option.
- 23 Mr Clifford Foss, the Company's managing director, holds 1,200,000 options exercisable at \$0.0675 on or before 7 March 2019. If Mr Foss accepted an offer to cancel his options, he would receive consideration of \$1,956.
- 24 Under ASX Listing Rule 6.23.2, a change which has the effect of cancelling an option for consideration must be approved by members. Accordingly the Company requires member approval of the proposal to cancel the options for the purposes of ASX Listing Rule 6.23.2.
- 25 The directors (Mr Foss abstaining) recommend that you vote in favour of Resolution 5.

## **Special business**

### **Resolution 6: Increase in share issue capacity**

#### **General**

- 26 ASX Listing Rule 7.1A enables small to mid-cap listed companies to seek member approval by special resolution to issue equity securities equivalent to 10% of the equity securities on issue by

way of placements over a 12 month period (**10% Placement Facility**). This is in addition to the 15% placement capacity permitted by ASX Listing Rule 7.1.

- 27 At the date of this notice, the Company has on issue 205,230,866 fully paid ordinary shares. If Resolution 6 is approved, the Company will have the capacity to issue:
- (a) 30,784,629 shares<sup>1</sup> under Listing Rule 7.1; and
  - (b) 20,523,086 shares<sup>2</sup> under ASX Listing Rule 7.1A.
- 28 The actual number of equity securities that the Company will have capacity to issue under ASX Listing Rule 7.1A will be calculated at the date of issue of the equity securities in accordance with the formula prescribed in ASX Listing Rule 7.1A.2.
- 29 In accordance with Listing Rule 7.3A in relation to the approval of the 10% Placement Facility, the minimum price at which shares will be issued will be no less than 75% of the VWAP for shares calculated over the 15 trading days on which trades are recorded immediately before:
- (a) the date on which the price at which the shares are to be issued is agreed; or
  - (b) if the shares are not issued within five trading days of the date in paragraph (a), the date on which the shares are issued.
- 30 If Resolution 6 is approved and the Company issues shares under the 10% Placement Facility, the existing members face the risk of economic and voting dilution as a result of the issue of shares which are the subject of Resolution 6, to the extent that such shares are issued, including:
- (a) the market price for the shares may be significantly lower on the issue date than on the date of the meeting; and
  - (b) the shares may be issued at a price that is at a discount to the market price for those shares on the issue date, or the shares may be issued as part consideration for the acquisition of a new asset,
- which may have an effect on the amount of funds raised by the issue of the shares.
- 31 The following table demonstrates the potential dilution of existing members on the basis of the current market price of the shares and the current number of shares for Variable "A" calculated in accordance with the formula in ASX Listing Rule 7.1A.2 as at the date of this notice.
- 32 The table also shows:
- (a) two examples where Variable "A" has increased, by 50% and 100%. Variable "A" is based on the number of shares the Company has on issue. The number of shares on issue may increase as a result of issues of shares that do not require shareholder approval (for example, a pro rata entitlement issue or scrip issued under a takeover offer) or future specific placements under ASX Listing Rule 7.1 that are approved at a future meeting of the Company's members; and
  - (b) two examples of where the issue price of shares has decreased by 50% and increased by 100% as against the closing market price of \$0.011 on 24 March 2015.

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<sup>1</sup> Calculated in accordance with the formula prescribed in ASX Listing Rule 7.1.

<sup>2</sup> Calculated in accordance with the formula prescribed in ASX Listing Rule 7.1A.2.

<b>Variable "A" Listing Rule 7.1A.2</b>		<b>Dilution</b>		
		<b>Issue price of \$0.0055</b>	<b>Issue price of \$0.011</b>	<b>Issue price of \$0.022</b>
Variable "A" as the current shares on issue 205,230,866 shares	10% voting dilution	20,523,087 shares	20,523,087 shares	20,523,087 shares
	Funds raised	\$112,876.98	\$225,753.96	\$451,507.91
50% increase in current Variable "A" 307,846,299 shares	10% voting dilution	30,784,630	30,784,630	30,784,630
	Funds raised	\$169,315.47	\$338,630.93	\$677,261.86
100% increase in current Variable "A" 410,461,732 shares	10% voting dilution	41,046,173	41,046,173	41,046,173
	Funds raised	\$225,753.95	\$451,507.90	\$903,015.81

33 The table has been prepared on the following assumptions:

- (a) Resolution 6 is approved.
- (b) The Company issues the maximum number of shares available under the 10% placement facility in ASX Listing Rule 7.1A.
- (c) No unlisted options are exercised into shares before the date of the issue of the shares under ASX Listing Rule 7.1A.
- (d) 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%.
- (e) The table shows only the effect of an issue of shares under ASX Listing Rule 7.1A, not for all types of equity securities under the Company's 15% placement capacity available under ASX Listing Rule 7.1.
- (f) The issue price is \$0.011 being the closing price of the shares on ASX on 23 March 2015. This example is given for illustrative purposes as required under Listing Rule 7.3A and there is no guarantee that the issue price will be \$0.011 per share at the time of issue.

34 The Company may seek to issue shares under the 10% Placement Facility:

- (a) at a cash price, in which case the Company would use the funds for general working capital purposes, including to pay corporate overhead costs and satisfy ongoing commitments under the Company's projects or, subject to the macro environment in oil and gas, to further the development of the Company's MR Olmos project; or
- (b) for a non-cash consideration, such as for the acquisition of new assets or investments, subject to any applicable ASX requirements.

35 In either case, the cash issue price or the value of the non-cash consideration must comply with the minimum issue price noted at paragraph 32 above.

36 The identity of the allottees of any equity securities that may be issued (subject to member approval of Resolution 6) have not been determined as at the date of this notice, but may include existing members as well as new members who are not related parties or associates of the Company. Accordingly, the Company's allocation policy in respect of the 10% Placement Facility has not been determined. Any potential allottees will be determined on a case-by-case basis having regard to factors including, but not limited to: (a) the methods of raising funds that are

available to the Company, including but not limited to, rights issue or other issues in which existing members can participate; (b) the effect of the issue of the shares on the control of the Company; (c) the financial situation and solvency of the Company; (d) advice from corporate, financial and broking advisers (if applicable); and (e) legal requirements.

- 37 The Company sought and obtained approval under Listing Rule 7.1A at the Company's 2014 annual general meeting. In the 12 months preceding the date of the meeting, the Company issued a total of 103,657,100 fully paid ordinary shares as follows:
- (a) 102,615,433 fully paid ordinary shares were issued under the 1 for 1 non-renounceable rights issue at \$0.011 per share, announced on 22 July 2014. This issue represented close to 100% of the total number of equity securities on issue at 28 April 2014. The rights issue raised approximately \$1.12 million and was applied to fund the Company's forward work program. All eligible members who submitted valid applications received their entitlements in full. Eligible members who took up their entitlement in full were able to apply under a top up facility for shortfall shares. The allocation of those top up shares was capped at an amount equal to their original entitlement. The remaining shortfall shares were taken up by the underwriter, Morgans Corporate Limited, and various sub-underwriters, in accordance with the terms of the underwriting agreement.
  - (b) 1,041,667 fully paid ordinary shares were issued to Yuan Quan Pty Ltd ACN 137 670 672 at a price of \$0.012 per share in satisfaction of a loan establishment fee and interest in advance under a short term loan facility announced on 26 March 2015. The short term loan facility of \$200,000 was used for the Company's general working capital requirements, primarily as an appropriate cash buffer while the Company raised further capital. The issue would represent 0.5% of the total number of equity securities on the date of issue (expected to be on or about 30 March 2015).
- 38 Resolution 6 is a special resolution. For a special resolution to be passed, at least 75% of the votes cast by members entitled to vote on Resolution 6 must be in favour of the resolution. The Company will comply with the disclosure obligations under ASX Listing Rules 7.1A.4 and 3.10.5A upon the issue of any shares.
- 39 The directors recommend that you vote in favour of Resolution 6.

## **Resolution 7: Adoption of new Company constitution**

- 40 The board will propose for approval a new Company constitution which contains a number of provisions designed to promote the efficient, low-cost operation of the Company, which should be of long-term benefit to the Company and its members. As required by ASX Listing Rule 15.3, the proposed new Company constitution has been approved by ASX. If this resolution is passed, the existing constitution will be repealed in its entirety and replaced with the new constitution
- 41 The new constitution includes, for example, an unmarketable parcel clause, which entitles the Company to buy-back or sell any parcel of shares with a market value of less than \$500 (subject to a member's right to opt-out), thus reducing administrative costs associated with maintaining the register, processing notices of meeting and other member communications, amongst other things. Members who currently hold an unmarketable parcel, will have received a separate letter accompanying this notice, which must be returned to the Company to opt-out of the buy-back or sale. It also contains provisions to simplify the payment of monies, the provision of notice etc.
- 42 Further, a copy of the new constitution proposed to be adopted pursuant to this resolution, including the clause in relation to unmarketable parcels, is available to all members on the Company's website, together with a table comparing the key differences between the existing constitution and the proposed constitution.



- 43 In accordance with section 136(2) of the Corporations Act, this resolution must be passed as a special resolution, that is, a resolution passed by at least 75% of the votes cast by members entitled to vote on the resolution.
- 44 The directors recommend that you vote in favour of Resolution 7.



## Lodge your vote:



**Online:**

[www.investorvote.com.au](http://www.investorvote.com.au)



**By Mail:**

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

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

For Intermediary Online subscribers only  
(custodians) [www.intermediaryonline.com](http://www.intermediaryonline.com)

## For all enquiries call:

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

000001 000 TPD  
MR SAM SAMPLE  
FLAT 123  
123 SAMPLE STREET  
THE SAMPLE HILL  
SAMPLE ESTATE  
SAMPLEVILLE VIC 3030

## Proxy Form



### Vote and view the annual report online

- Go to [www.investorvote.com.au](http://www.investorvote.com.au) or scan the QR Code with your mobile device.
- Follow the instructions on the secure website to vote.

### Your access information that you will need to vote:

**Control Number: 999999**

**SRN/HIN: I9999999999**

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



**For your vote to be effective it must be received by 3:00pm (Brisbane time) Sunday 26 April 2015**

## How to Vote on Items of Business

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

### Appointment of Proxy

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

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

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

**A proxy need not be a securityholder of the Company.**

## Signing Instructions for Postal Forms

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

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

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

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

## Attending the Meeting

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

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

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

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



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



I 9999999999

I ND

## Proxy Form

Please mark ☒ to indicate your directions

### STEP 1

#### Appoint a Proxy to Vote on Your Behalf

XX

I/We being a member/s of Talon Petroleum Limited hereby appoint

☐

the Chairman  
of the Meeting **OR**



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

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the Meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the Annual General Meeting of Talon Petroleum Limited to be held at **McCullough Robertson Lawyers, Level 11, 66 Eagle Street, Brisbane, Queensland 4000 on Tuesday 28 April 2015 at 3:00pm (Brisbane time)** and at any adjournment or postponement of that Meeting.

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

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

### STEP 2

#### Items of Business



**PLEASE NOTE:** If you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

##### Ordinary Business

	For	Against	Abstain
1 Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Re-election of Director - Mr Peter Love	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 Re-election of Director - Mr Peter Evans	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4 Disposal of main undertaking	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5 Cancellation of options	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

##### Special Business

6 Increase in share issue capacity	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7 Adoption of new constitution	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

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

### SIGN

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

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

Contact  
Name

\_\_\_\_\_

Contact  
Daytime  
Telephone

\_\_\_\_\_

Date / /

TPD

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