



HAWKLEY OIL AND GAS LIMITED
ACN 115 712 162

NOTICE OF ANNUAL GENERAL MEETING

The annual general meeting of the Company will be held at Suite 3, Level 3, 1292 Hay Street, West Perth, Western Australia on Wednesday 30 November 2016 at 4:00pm (WST).

This Notice 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 3211

Shareholders are urged to attend or vote by lodging the proxy form attached to this Notice.

CONTENTS

NOTICE OF ANNUAL GENERAL MEETING	1
AGENDA.....	1
1. ANNUAL REPORT	1
2. RESOLUTION 1 - REMUNERATION REPORT	1
3. RESOLUTION 2 - RE-ELECTION OF MR PIERS LEWIS AS DIRECTOR	2
4. RESOLUTION 3 - RE-ELECTION OF MR MURRAY WYLIE AS DIRECTOR.....	2
5. RESOLUTION 4 - RE-ELECTION OF MR BILL FOSTER AS DIRECTOR	2
6. RESOLUTION 5 - RATIFICATION OF PLACEMENT OF 43,227,200 SHARES	2
7. RESOLUTION 6 - APPROVAL OF 10% PLACEMENT FACILITY	3
8. RESOLUTION 7 - RE-APPROVAL OF INCENTIVE OPTION PLAN	3
9. RESOLUTION 8 - RE-APPROVAL OF PERFORMANCE RIGHTS PLAN	4
EXPLANATORY MEMORANDUM.....	6
1. INTRODUCTION	6
2. ACTION TO BE TAKEN BY SHAREHOLDERS	6
3. ANNUAL REPORT	7
4. RESOLUTION 1 – REMUNERATION REPORT	8
5. RESOLUTION 2 – RE-ELECTION OF MR PIERS LEWIS AS DIRECTOR	9
6. RESOLUTION 3 – RE-ELECTION OF MR MURRAY WYLIE AS DIRECTOR.....	9
7. RESOLUTION 4 – RE- ELECTION OF MR BILL FOSTER AS DIRECTOR.....	9
8. RESOLUTION 5 - RATIFICATION OF PLACEMENT OF 43,227,200 SHARES	10
9. RESOLUTION 6 - APPROVAL OF 10% PLACEMENT FACILITY	11
10. RESOLUTION 7 - RE-APPROVAL OF INCENTIVE OPTION PLAN	17
11. RESOLUTION 8 - RE-APPROVAL OF PERFORMANCE RIGHTS PLAN	18
SCHEDULE 1: DEFINITIONS.....	20
SCHEDULE 2: SUMMARY OF INCENTIVE OPTION PLAN TERMS	22
SCHEDULE 3: SUMMARY OF PERFORMANCE RIGHTS PLAN TERMS	24

HAWKLEY OIL AND GAS LIMITED
ACN 115 712 162

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the annual general meeting of shareholders of Hawkley Oil and Gas Limited (**Company**) will be held at Suite 3, Level 3, 1292 Hay Street, West Perth, Western Australia on Wednesday, 30 November 2016 at 4:00pm (WST) (**Meeting**).

The Explanatory Memorandum 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 Monday 28 November 2016 at 5:00pm (WST).

Terms and abbreviations used in this Notice (including the Explanatory Memorandum) are defined in Schedule 1.

AGENDA

1. ANNUAL REPORT

To consider the Annual Report of the Company and its controlled entities for the year ended 30 June 2016, which includes the Financial Report, the Directors' Report and the Auditor's Report.

2. RESOLUTION 1 - REMUNERATION REPORT

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

"That, pursuant to and in accordance with section 250R(2) of the Corporations Act and for all other purposes, approval is given by the Shareholders for the adoption of the Remuneration Report on the terms and conditions in the Explanatory Memorandum."

Voting Exclusion

A vote on this Resolution must not be cast:

- (a) by or on behalf of a member of the Key Management Personnel whose remuneration details are included in the Remuneration Report, or a Closely Related Party of such member, regardless of the capacity in which the vote is cast; or
- (b) by a person appointed as a proxy, where that person is either a member of the Key Management Personnel or a Closely Related Party of such member.

However, a vote may be cast by such persons if the vote is not cast on behalf of a person who is excluded from voting on this Resolution, and:

- (a) the person is appointed as a proxy that specifies the way the proxy is to vote on this Resolution; or

- (b) the person is the Chairman and the appointment of the Chairman as proxy does not specify the way the proxy is to vote on this Resolution, but expressly authorises the Chairman to exercise the proxy even if this Resolution is connected with the remuneration of a member of the Key Management Personnel.

3. RESOLUTION 2 - RE-ELECTION OF MR PIERS LEWIS AS DIRECTOR

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

"That, pursuant to and in accordance with Listing Rule 14.4, with article 13.4 of the Constitution and for all other purposes, Mr Piers Richard Lewis, Director, who was appointed as a Director on 14 March 2016, retires and being eligible is elected as a Director on the terms and conditions in the Explanatory Memorandum."

4. RESOLUTION 3 - RE-ELECTION OF MR MURRAY WYLIE AS DIRECTOR

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

"That, pursuant to and in accordance with Listing Rule 14.4, with article 13.4 of the Constitution and for all other purposes, Mr Murray Robert Wylie, Director, who was appointed as a Director on 19 February 2016, retires and being eligible is elected as a Director on the terms and conditions in the Explanatory Memorandum."

5. RESOLUTION 4 - RE-ELECTION OF MR BILL FOSTER AS DIRECTOR

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

"That, pursuant to and in accordance with article 13.2 of the Constitution and for all other purposes, Mr William (Bill) Foster, Director, retires and being eligible, is re-elected as a Director on the terms and conditions in the Explanatory Memorandum."

6. RESOLUTION 5 - RATIFICATION OF PLACEMENT OF 43,227,200 SHARES

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

"That, pursuant to and in accordance with Listing Rule 7.4 and for all other purposes, Shareholders ratify the prior issue of 43,227,200 Shares 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 participated in the Placement and any associate of that person.

The Company will not disregard a vote if:

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

- (a) 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 6 - APPROVAL OF 10% PLACEMENT FACILITY

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

"That, pursuant to and in accordance with Listing Rule 7.1A and for all other purposes, Shareholders approve the issue of Equity Securities of 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 (and any associates of such a person) who may participate in the 10% Placement Facility and a person who might obtain a benefit if this Resolution is passed, except a benefit solely in the capacity of a holder of Shares, and any associate of that person (or those persons).

The Company will not disregard a vote if:

- (a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or
- (a) 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 7 - RE-APPROVAL OF INCENTIVE OPTION PLAN

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

"That, pursuant to and in accordance with Listing Rule 7.2, exception 9 and for all other purposes, Shareholders approve the Incentive Option Plan and the grant of Incentive Options and the issue of the underlying Shares of such Incentive Options on the terms and conditions in the Explanatory Memorandum."

Voting Exclusion

The Company will disregard any votes cast on this Resolution by a Director (except one who is ineligible to participate in any employee incentive scheme in relation to the Company) and any of his associates.

The Company will not disregard a vote if:

- (a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the 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.

In accordance with section 250BD of the Corporations Act, a vote on this Resolution must not be cast by a person appointed as a proxy, where that person is either a member of the Key Management Personnel or a Closely Related Party of such member.

However, a vote may be cast by such person if the vote is not cast on behalf of a person who is otherwise excluded from voting, and

- (a) the person is appointed as a proxy and the appointment specifies how the proxy is to vote; or
- (b) the person appointed as proxy is the Chairman and the appointment does not specify how the Chairman is to vote but expressly authorises the Chairman to exercise the proxy even if the Resolution is connected with the remuneration of a member of the Key Management Personnel.

9. RESOLUTION 8 - RE-APPROVAL OF PERFORMANCE RIGHTS PLAN

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

"That, pursuant to and in accordance with Listing Rule 7.2, exception 9 and for all other purposes, Shareholders approve the Performance Rights Plan and the grant of Performance Rights and the issue of the underlying Shares of such Performance Rights on the terms and conditions in the Explanatory Memorandum."

Voting Exclusion

The Company will disregard any votes cast on this Resolution by a Director (except one who is ineligible to participate in any employee incentive scheme in relation to the Company) and any of his associates.

The Company will not disregard a vote if:

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

In accordance with section 250BD of the Corporations Act, a vote on this Resolution must not be cast by a person appointed as a proxy, where that person is either a member of the Key Management Personnel or a Closely Related Party of such member.

However, a vote may be cast by such person if the vote is not cast on behalf of a person who is otherwise excluded from voting, and

- (e) the person is appointed as a proxy and the appointment specifies how the proxy is to vote; or
- (f) the person appointed as proxy is the Chairman and the appointment does not specify how the Chairman is to vote but expressly authorises the Chairman to exercise the proxy even if the Resolution is connected with the remuneration of a member of the Key Management Personnel.

Dated: 28 October 2016

By order of the Board



Mr Murray Wylie
Company Secretary

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 Suite 3, Level 3, 1292 Hay Street, West Perth, Western Australia on Wednesday, 30 November 2016 at 4:00pm (WST).

This Explanatory Memorandum forms part of the Notice which should be read in its entirety. This Explanatory Memorandum contains the terms and conditions on which the Resolutions will be voted.

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

2. ACTION TO BE TAKEN BY SHAREHOLDERS

Shareholders should read the Notice including 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. Returning the 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. Where the proportion or number is not specified, each proxy may exercise half of the votes.

Proxy Forms must be received by the Company no later than 4:00pm (WST) on Monday, 28 November 2016, being at least 48 hours before the Meeting

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

2.2 Voting Prohibition by Proxy holders (Remuneration of Key Management Personnel)

A vote on Resolution 1 must not be cast:

- (a) by or on behalf of a member of the Key Management Personnel whose remuneration details are included in the Remuneration Report, or a Closely Related Party of such member, regardless of the capacity in which the vote is cast; or
- (b) by a person appointed as a proxy, where that person is either a member of the Key Management Personnel or a Closely Related Party of such member.

However, a vote may be cast by such persons if the vote is not cast on behalf of a person who is excluded from voting on this Resolution, and:

- (a) the person is appointed as a proxy that specifies the way the proxy is to vote on this Resolution; or
- (b) the person is the Chairman and the appointment of the Chairman as proxy does not specify the way the proxy is to vote on this Resolution, but expressly authorises the Chairman to exercise the proxy even if this Resolution is connected with the remuneration of a member of the Key Management Personnel.

2.3 Voting Prohibition by Proxy holders (Remuneration of Key Management Personnel)

A vote on Resolution 1 must not be cast by a person appointed as a proxy, where that person is either a member of the Key Management Personnel or a Closely Related Party of such member.

However, a vote may be cast by such persons if the vote is not cast on behalf of a person who is excluded from voting on this Resolution, and:

- (a) the person is appointed as a proxy that specifies the way the proxy is to vote on this Resolution; or
- (b) the person is the Chairman and the appointment of the Chairman as proxy does not specify the way the proxy is to vote on this Resolution, but expressly authorises the Chairman to exercise the proxy even if this Resolution is connected with the remuneration of a member of the Key Management Personnel.

3. ANNUAL REPORT

In accordance with section 317(1) of the Corporations Act the Annual Report must be laid before the annual general meeting. There is no requirement for Shareholders to approve the Annual Report.

At the Meeting, Shareholders will be offered the opportunity to:

- (a) discuss the Annual Report which is available online at www.hawkleyoilandgas.com;
- (b) ask questions about, or comment on, the management of the Company; and
- (c) ask the auditor questions about the conduct of the audit and the preparation and content of the Auditor's Report.

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 preparation and the content of the Auditor's Report;
- (b) the conduct of the audit;
- (c) accounting policies of the Company in relation to the preparation of the financial statements; and
- (d) the independence of the auditor in relation to the conduct of the audit,

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

4. RESOLUTION 1 – REMUNERATION REPORT

In accordance with section 250R(2) of the Corporations Act, the Company must put the Remuneration Report to the vote of Shareholders. The Directors' Report contains the Remuneration Report which sets out the remuneration policy for the Company and the remuneration arrangements in place for the executive Directors, specified executives and non-executive Directors.

In accordance with section 250R(3) of the Corporations Act, Resolution 1 is advisory only and does not bind the Directors of the Company. If Resolution 1 is not passed, the Directors will not be required to alter any of the arrangements in the Remuneration Report.

Shareholders will have the opportunity to remove the whole Board except the Managing Director if the Remuneration Report receives a 'no' vote of 25% or more (**Strike**) at two consecutive annual general meetings.

Where a resolution on the Remuneration Report receives a Strike at two consecutive annual general meetings, the Company will be required to put to Shareholders at the second annual general meeting a resolution on whether another meeting should be held (within 90 days) at which all Directors (other than the managing director) who were in office at the date of approval of the applicable Directors' Report must stand for re-election.

The Company's Remuneration Report did not receive a Strike at the 2015 annual general meeting. Please note if the Remuneration Report receives a Strike at this Meeting and if a second Strike is received at the 2017 annual general meeting, this may result in the re-election of the Board.

The Chairman will allow reasonable opportunity for Shareholders to ask questions about or comment on the Remuneration Report.

Resolution 1 is an ordinary resolution.

The Chairman intends to exercise all available proxies in favour of Resolution 1.

If the Chairman 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, even though the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

5. RESOLUTION 2 – RE-ELECTION OF MR PIERS LEWIS AS DIRECTOR

In accordance with Listing Rule 14.4, a director appointed to fill a casual vacancy or as an addition to the Board must not hold office (without re-election) past the next annual general meeting of the entity.

Article 13.4 of the Constitution allows the Directors at any time to appoint a person to fill a casual vacancy or as an addition to the existing Directors, provided that the total number of Directors does not at any time exceed the maximum number specified by the Constitution. Any Director so appointed holds office until the next general meeting of members of the Company and is eligible for re-election at that meeting.

Mr Piers Lewis was appointed on 14 March 2016 as an addition to the existing Directors. Resolution 2 provides that he retires from office and seeks re-election as a Director.

Details of Mr Piers Lewis' background and experience are set out in the Annual Report.

Resolution 2 is an ordinary resolution.

The Chairman intends to exercise all available proxies in favour of Resolution 2.

The Board (excluding Mr Piers Lewis) supports the election of Mr Piers Lewis and recommends that shareholders vote in favour of Resolution 2.

6. RESOLUTION 3 – RE-ELECTION OF MR MURRAY WYLIE AS DIRECTOR

In accordance with Listing Rule 14.4, a director appointed to fill a casual vacancy or as an addition to the Board must not hold office (without re-election) past the next annual general meeting of the entity.

Article 13.4 of the Constitution allows the Directors at any time to appoint a person to fill a casual vacancy or as an addition to the existing Directors, provided that the total number of Directors does not at any time exceed the maximum number specified by the Constitution. Any Director so appointed holds office until the next general meeting of members of the Company and is eligible for re-election at that meeting.

Mr Murray Wylie was appointed on 19 February 2016 as an addition to the existing Directors. Resolution 3 provides that he retires from office and seeks re-election as a Director.

Details of Mr Murray Wylie's background and experience are set out in the Annual Report.

Resolution 3 is an ordinary resolution.

The Chairman intends to exercise all available proxies in favour of Resolution 3.

The Board (excluding Mr Murray Wylie) supports the election of Mr Murray Wylie and recommends that shareholders vote in favour of Resolution 3.

7. RESOLUTION 4 – RE- ELECTION OF MR BILL FOSTER AS DIRECTOR

Article 13.2 of the Constitution requires one third of all Directors, or if their number is not a multiple of three, then the number nearest one third (rounded upward in the case of doubt) to retire at each annual general meeting.

Article 13.2 states that a Director who retires under article 13.2 is eligible for re-election.

Resolution 4 provides that Mr Bill Foster retires by rotation and seeks re-election as a Director.

Details of the qualifications and experience of Mr Bill Foster are in the Annual Report.

Resolution 4 is an ordinary resolution.

The Chairman intends to exercise all available proxies in favour of Resolution 4.

The Board (excluding Mr Bill Foster) supports the re-election of Mr Bill Foster to the Board and recommends that shareholders vote in favour of Resolution 4.

8. RESOLUTION 5 - RATIFICATION OF PLACEMENT OF 43,227,200 SHARES

8.1 General

On 14 March 2016, the Company issued 43,227,200 Shares to the Merchant Opportunities Fund at an issue price of \$0.003 per Share (**Placement**). The Company engaged Merchant to act as lead manager to seek new opportunities for the Company and the Placement was made to support these activities by raising \$129,861 for additional working capital.

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

Listing Rule 7.4 provides that where a company in general meeting ratifies the previous issue of securities made pursuant to Listing Rule 7.1 (and provided that the previous issue did not breach Listing Rule 7.1) those securities will be deemed to have been made with Shareholder approval for the purpose of Listing Rule 7.1.

The effect of passing Resolution 5 will be to allow the Company to issue securities in the future up to the 15% annual placement capacity set out in Listing Rule 7.1, without obtaining prior Shareholder approval.

Resolution 5 is an ordinary resolution.

The Chairman intends to exercise all available proxies in favour of Resolution 5.

8.2 Specific information required by Listing Rule 7.5

In accordance with Listing Rule 7.5, information is provided in relation to the Placement as follows:

- (a) 43,227,200 Shares were issued to the Merchant Opportunities Fund on 14 March 2016.
- (b) The Shares were issued for \$0.003 per Share.
- (c) The Shares were issued on the same terms and conditions as the Company's existing Shares.

- (d) The funds raised from the Placement were used as additional working capital in the Company.
- (e) A voting exclusion statement is included in the Notice for Resolution 5.

8.3 Director Recommendation

The Directors recommend that Shareholders vote in favour of Resolution 5.

9. RESOLUTION 6 - APPROVAL OF 10% PLACEMENT FACILITY

9.1 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.

The Company is seeking Shareholder approval by way of a special resolution to have the ability to issue Equity Securities under the 10% Placement Facility. The 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 9.2(c)).

The Directors of the Company believe that Resolution 6 is in the best interests of the Company and unanimously recommend that Shareholders vote in favour of this Resolution.

Resolution 6 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).

The Chairman intends to exercise all available proxies in favour of Resolution 6.

9.2 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 one quoted class of Equity Securities, Shares. The Company also has on issue unquoted 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 x D) – E

A is the number of shares on issue 12 months before the date of issue or agreement:

- (A) plus the number of 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 Shares issued in the 12 months with Shareholder approval under Listing Rule 7.1 and 7.4. This does not include an issue of 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 is 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 Shareholder approval 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.

At the date of the Notice, the Company has on issue 331,408,621 Shares and will have a capacity to issue:

- (i) subject to Shareholder approval being sought under Resolution 5, 49,711,293 Equity Securities under Listing Rule 7.1 (with a current capacity to issue 13 Equity Securities under Listing Rule 7.1); and
- (ii) subject to Shareholder approval being sought under Resolution 6, 33,140,862 Equity Securities under Listing Rule 7.1A.

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 9.2(c)).

(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 immediately before:

- (i) the date on which the price at which the Equity Securities are to be issued is agreed; or
- (ii) if the Equity Securities are not issued within 5 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 Shareholder approval 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),

or such longer period if allowed by ASX,

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

9.3 Listing Rule 7.1A

The effect of Resolution 6 will be to allow the Directors to issue the 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.

9.4 Specific information required by Listing Rule 7.3A

In accordance with Listing Rule 7.3A, information is provided as follows:

- (a) The Equity Securities will be issued at an issue price of not less than 75% of the VWAP for the Company's Equity Securities 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 5 Trading Days of the date in paragraph (i) above, the date on which the Equity Securities are issued.
- (b) If Resolution 6 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 (in the case of Listed Options, only if the Listed Options are exercised). 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 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 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.

- (c) The below table shows the dilution of existing Shareholders on the basis of the current market price of Shares and the current number of ordinary securities for variable 'A' calculated in accordance with the formula in Listing Rule 7.1A(2) as at the date of the Notice.
- (d) 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 50% as against the current market price.

Variable 'A' in Listing Rule 7.1A.2		Dilution		
		\$0.002 50% decrease in Issue Price	\$0.004 Issue Price	\$0.008 100% increase in Issue Price
Current Variable A 331,408,621 Shares	Shares issued - 10% Voting Dilution	33,140,862 Shares	33,140,862 Shares	33,140,862 Shares
	Funds raised	\$66,282	\$132,563	\$265,127
50% increase in current Variable A	Shares issued - 10% Voting Dilution	49,711,293 Shares	49,711,293 Shares	49,711,293 Shares

497,112,931 Shares	Funds raised	\$99,423	\$198,845	\$397,690
100% increase in current Variable A	Shares issued - 10% Voting Dilution	66,281,724 Shares	66,281,724 Shares	66,281,724 Shares
662,817,242 Shares	Funds raised	\$132,563	\$265,127	\$530,254

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 Listed Options (including any Listed Options issued under the 10% Placement Facility) 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 \$0.004, being the closing price of the Shares on ASX on 24 October 2016.
- (e) The Company will only issue the Equity Securities during the 10% Placement Period. The approval under Resolution 6 for the issue of the Equity Securities 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).
- (f) The Company may seek to issue the Equity Securities for the following purposes:
- (i) non-cash consideration for the acquisition of the new resources 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 the funds raised towards an acquisition of new assets or investments (including expense associated with such acquisition), continued exploration and feasibility study expenditure on the Company's current assets and/or general working capital.
- (g) The Company will comply with the disclosure obligations under Listing Rules 7.1A(4) and 3.10.5A upon issue of any Equity Securities.
- (h) 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 subscribers 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 issue or other issue 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).
- (i) The subscribers under the 10% Placement Facility have not been determined as at the date of the Notice but may include existing substantial Shareholders or new Shareholders who are not a related party or an associate of a related party of the Company.
- (j) Further, if the Company is successful in acquiring new resources assets or investments, it is likely that the subscribers under the 10% Placement Facility will be the vendors of the new resources assets or investments.
- (k) The Company did not seek Shareholder approval under Listing Rule 7.1A at the Company's 2015 annual general meeting.
- (l) A voting exclusion statement is included in the Notice for Resolution 6.
- (m) 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.

9.5 Director Recommendation

The Directors recommend that Shareholders vote in favour of Resolution 6.

10. RESOLUTION 7 - RE-APPROVAL OF INCENTIVE OPTION PLAN

10.1 General

To ensure that the Company has appropriate mechanisms to continue to attract and retain the services of directors and employees of a high calibre, the Company has established the “Executive and Employee Share Option Plan” (**Incentive Option Plan**). The Incentive Option Plan was last adopted at the general meeting held on 29 November 2013.

The Directors and employees of the Company have been, and will continue to be, instrumental in the growth of the Company. The Directors consider that the Option Plan is an appropriate method to:

- (a) reward eligible Directors and employees for their past performance;
- (b) provide long term incentives for participation in the Company’s future growth;
- (c) motivate eligible Directors and generate loyalty from senior employees; and
- (d) assist to retain the services of valuable eligible Directors and employees.

The Incentive Option Plan will be used as part of the remuneration planning for executive Directors and employees. The Corporate Governance Council Guidelines recommend that executive remuneration packages involve a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the Company’s circumstances and goals. The Incentive Option Plan will not be used as part of the remuneration planning for non-executive Directors.

10.2 Listing Rules 7.1 and 7.2

Resolution 7 seeks Shareholder approval under exception 9(b) of Listing Rule 7.2 to allow the grant of Options under the Incentive Option Plan (**Incentive Options**), and the issue of Shares on exercise of the Incentive Options, as an exception to Listing Rule 7.1.

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

Listing Rule 7.2, exception 9(b) sets out an exception to Listing Rule 7.1 which provides that issues under an employee incentive scheme are exempt for a period of three years from the date on which shareholders approve the issue of securities under the scheme as an exception to ASX Listing Rule 7.1.

If Resolution 7 is passed, the Company will have the ability to issue Incentive Options to Eligible Persons under the Incentive Option Plan over a period of three years without impacting on the Company’s 15% placement capacity under Listing Rule 7.1.

Resolution 7 is an ordinary resolution.

10.3 Specific information required by Listing Rule 7.2

In accordance with Listing Rule 7.2 exception 9, information is provided as follows:

- (a) The material terms of the Incentive Option Plan are summarised in Schedule 2.
- (b) The date of the last approval under Listing Rule 7.2 exception 9 with respect to the Incentive Option Plan was 29 November 2013.
- (c) Since 29 November 2013, the Company has issued the following Incentive Options under the Incentive Option Plan:

On 17 January 2014, the Company issued 9,000,000 Incentive Options exercisable at 10 cents on or before 30 September 2018.
- (d) A voting exclusion statement is included in the Notice for Resolution 7.

11. RESOLUTION 8 - RE-APPROVAL OF PERFORMANCE RIGHTS PLAN

11.1 General

To ensure that the Company has appropriate mechanisms to continue to attract and retain the services of directors and employees of a high calibre, the Company has established the “Hawkley Oil and Gas Limited Performance Rights Plan” (**Performance Rights Plan**). The Performance Rights Plan was last adopted at the general meeting held on 29 November 2013.

The Directors and employees of the Company have been, and will continue to be, instrumental in the growth of the Company. The Directors consider that the Performance Rights Plan is an appropriate method to:

- (a) reward eligible Directors and employees for their past performance;
- (b) provide long term incentives for participation in the Company’s future growth;
- (c) motivate eligible Directors and generate loyalty from senior employees; and
- (d) assist to retain the services of valuable eligible Directors and employees.

The Performance Rights Plan will be used as part of the remuneration planning for executive Directors and employees. The Corporate Governance Council Guidelines recommend that executive remuneration packages involve a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the Company’s circumstances and goals. The Performance Rights will not be used as part of the remuneration planning for non-executive Directors.

11.2 Listing Rules 7.1 and 7.2

A summary of Listing Rules 7.1 and 7.2, exception 9(b) are set out in Resolution 7.

Resolution 8 seeks Shareholder approval under exception 9(b) of Listing Rule 7.2 to allow the grant of the right to subscribe for or otherwise acquire a Share under the Performance Rights Plan (**Performance Right**), and the issue of Shares on exercise of the Performance Right, as an exception to Listing Rule 7.1.

If Resolution 8 is passed, the Company will have the ability to issue Performance Rights to Eligible Persons under the Performance Rights Plan over a period of three years without impacting on the Company’s 15% placement capacity under Listing Rule 7.1.

Resolution 8 is an ordinary resolution.

11.3 Specific information required by Listing Rule 7.2

In accordance with Listing Rule 7.2 exception 9, information is provided as follows:

- (e) The material terms of the Performance Rights Plan are summarised in Schedule 3.
- (f) The date of the last approval under Listing Rule 7.2 exception 9 with respect to the Performance Rights Plan was 29 November 2013.
- (g) No securities have been issued under the Performance Rights Plan since 29 November 2013.
- (h) A voting exclusion statement is included in the Notice for Resolution 8.

SCHEDULE 1: DEFINITIONS

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

\$ means Australian Dollars.

10% Placement Facility has the meaning given in Section 9.1.

10% Placement Period has the meaning given in Section 9.2.

Annual Report means the Directors' Report, the Financial Report and the Auditor's Report in respect to the financial year ended 30 June 2016.

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.

Chairman means the person appointed to chair the Meeting, or any part of the Meeting, convened by the Notice.

Closely Related Party means:

- (a) a spouse or child of the member; or
- (b) has the meaning given in section 9 of the Corporations Act.

Company means Hawkley Oil and Gas Limited (ACN 115 712 162).

Constitution means the constitution of the Company as at the commencement of the Meeting.

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

Director means a director of the Company.

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

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

Explanatory Memorandum means the explanatory memorandum which forms part of the Notice.

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

Incentive Option has the meaning given in Section 10.2.

Incentive Option Plan has the meaning given in Section 10.1.

Key Management Personnel means persons 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 Option means an Option listed on ASX.

Listing Rules means the listing rules of ASX.

Managing Director means the managing director of the Company.

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

Merchant means Merchant Group Pty Ltd and its group companies.

Merchant Opportunities Fund means Merchant Funds Management Pty Ltd (ACN 154 493 277) as a manager of the Merchant Opportunities Fund (ARSN 111 456 387) and CIP Licensing Limited (ABN 63 603 558 658) as the responsible entity of the Merchant Opportunities Fund (ARSN 111 456 387).

Notice means the notice of meeting which comprises of the notice, agenda, Explanatory Memorandum and Proxy Form.

Office means office as a Director.

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

Performance Right has the meaning given in Section 11.2.

Performance Rights Plan has the meaning given in Section 11.1.

Placement has the meaning given in Section 8.1.

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 the Notice.

Schedule means a schedule to this Explanatory Memorandum.

Section means a section of this Explanatory Memorandum.

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

Shareholder means a shareholder of the Company.

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 Australian Western Standard Time, being the time in Perth, Western Australia.

SCHEDULE 2: SUMMARY OF INCENTIVE OPTION PLAN TERMS

The Options entitle the holder to Shares on the following terms and conditions. A full copy of the Incentive Option Plan is available for inspection at the Company's registered office until the date of the Meeting.

- (a) **Eligibility and Grant of Incentive Options:** The Board may, from time to time in its absolute discretion, make offers in writing to Eligible Persons inviting them to take up Incentive Options under the Option Plan, on such terms as the Board may determine.
- (b) **Consideration:** Each Incentive Option issued under the Option Plan will be issued for nil cash consideration.
- (c) **Conversion:** Each Incentive Option is exercisable into one Share in the Company ranking equally in all respect with the existing issued Shares in the Company.
- (d) **Exercise Price and Expiry Date:** The exercise price and expiry date for Incentive Options granted under the Incentive Option Plan will be determined by the Board, from time to time in its absolute discretion, prior to the grant of the Incentive Options.
- (e) **Exercise Restrictions:** The Incentive Options granted under the Plan may be subject to conditions on exercise as may be fixed by the Directors prior to grant of the Incentive Options (**Exercise Conditions**). Any restrictions imposed by the Directors must be set out in the offer for the Incentive Options.
- (f) **Lapsing of Incentive Options:** Subject to the terms of the offer made to a Participant, an unexercised Incentive Option will lapse:
 - (i) on its expiry date;
 - (ii) if any Exercise Condition is unable to be met;
 - (iii) subject to certain exceptions, on the eligible participant ceasing employment with the Company;
 - (iv) if the Company enters liquidation.
- (g) **Share Restriction Period:** Shares issued on the exercise of Incentive Options may be subject to a restriction that they may not be transferred or otherwise dealt with during the period which is 12 months from and including the date of issue of an Incentive Option, as specified in the offer for the Incentive Options.
- (h) **Participation in Rights Issues and Bonus Issues:**
 - (i) There are no participating rights or entitlements inherent in the Incentive Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Incentive Options.
 - (ii) The Company will ensure that for the purposes of determining entitlements to any such issue, the record date will be at least seven (7) Business Days after the issue is announced. This will give

Option holders the opportunity to exercise their Incentive Options prior to the date for determining entitlements to participate in any such issue.

- (iii) If the Company makes a pro rata issue of securities (except a bonus issue) to the holders of Shares (other than an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment) the Option Exercise Price shall be reduced according to the formula specified in the Listing Rules.
- (iv) In the event of a bonus issue of Shares being made pro rata to Shareholders, (other than an issue in lieu of dividends), the number of Shares issued on exercise of each Option will include the number of bonus Shares that would have been issued if the Option had been exercised prior to the record date for the bonus issue. No adjustment will be made to the exercise price per Share of the Option.
- (i) **Reorganisation:** The terms upon which Incentive Options will be granted will not prevent the Incentive Options being re-organised as required by the Listing Rules on the re-organisation of the capital of the Company.
- (j) **Limitations on Offers:** The Company must take reasonable steps to ensure that the number of Shares to be received on exercise of Incentive Options offered under an offer when aggregated with:
 - (i) the number of Shares that would be issued if each outstanding offer for Shares, units of Shares or options to acquire Shares under the Plan or any other employee share scheme of the Company were to be exercised or accepted; and
 - (ii) the number of Shares issued during the previous 5 years from the exercise of Incentive Options issued under the Option Plan (or any other employee share plan of the Company extended only to Eligible Participants),

does not exceed 5% of the total number of Shares on issue at the time of an offer (but disregarding any offer of Shares or option to acquire Shares that can be disregarded in accordance with ASIC Class Order 03/184.

SCHEDULE 3: SUMMARY OF PERFORMANCE RIGHTS PLAN TERMS

The Performance Rights entitle the holder to Shares on the following terms and conditions. A full copy of the Performance Rights Plan is available for inspection at the Company's registered office until the date of the Meeting.

- (a) **Eligibility and Grant of Performance Rights:** The Board may, from time to time in its absolute discretion, make offers in writing to Eligible Persons inviting them to take up Performance Rights under the Performance Rights Plan, on such terms as the Board may determine.
- (b) **Consideration:** Each Performance Right issued under the Performance Rights Plan will be issued for nil cash consideration.
- (c) **Conversion:** Each Performance Right is exercisable into one Share in the Company ranking equally in all respect with the existing issued Shares in the Company.
- (d) **Exercise Restrictions:** The Performance Rights granted under the Performance Rights Plan may be subject to vesting conditions on exercise as may be fixed by the Directors prior to grant of the Performance Rights (**Vesting Conditions**). Any restrictions imposed by the Directors must be set out in the offer for the Performance Rights.
- (e) **Vesting:** A Performance Right will vest (and become capable of exercise) where the Vesting Conditions (if any) advised by the Board are satisfied or waived by the Board or where the Performance Right vests as a result of a determination by the Board.
- (f) **Lapsing of Performance Rights:** Subject to the terms of the offer, an unexercised Performance Right will lapse upon the earlier to occur of:
 - (i) a failure to meet the Performance Right's Vesting Conditions;
 - (ii) the expiry date;
 - (iii) the eligible participant ceasing to be an employee, director or company secretary;
 - (iv) the Performance Right lapses due to the Eligible Person ceasing to be an employee or due to the occurrence of a takeover bid, compromise or arrangement or winding up;
 - (v) the Performance Right lapsing due to an unauthorised transfer, or purported transfer, of the Performance Right;
 - (vi) a determination of the Board that the Performance Right is to lapse due to fraud or dishonesty; or
 - (vii) the 7 year anniversary of the date of grant of the Performance Rights.
- (g) **Participation in Rights Issues and Bonus Issues:**

- (i) There are no participating rights or entitlements inherent in the Performance Rights and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Performance Rights.
 - (ii) If Shares are issued pro rata to the Company's shareholders generally by way of bonus issue (other than an issue in lieu of dividends or by way of dividend reinvestment) involving capitalisation or reserves or distributable profits, the number of Performance Rights to which each eligible participant is entitled, will be adjusted in the manner determined by the Board to ensure that no advantage accrues to the Participant as a result of the bonus issue.
- (h) **Reorganisation:** The terms upon which Performance Rights will be granted will not prevent the Performance Rights being re-organised as required by the Listing Rules on the re-organisation of the capital of the Company.

HAWKLEY OIL AND GAS
ACN 115 712 162

PROXY FORM

The Company Secretary
Hawkley Oil and Gas

By delivery:
Suite 3, Level 3, 1292 Hay St
West Perth WA 6005

By post:
GPO Box 2870
West Perth WA 6872

By facsimile:
+61 8 9322 4073

**Name of
Shareholder:**

**Address of
Shareholder:**

**Number of Shares
entitled to vote:**

Please mark ☒ to indicate your directions. Further instructions are provided overleaf.

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.

Step 1 - Appoint a Proxy to Vote on Your Behalf

**The Chairman of
the Meeting
(mark box)**

☐

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

or failing the person/body corporate named, or if no person/body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf, including to vote in accordance with the following directions (or, if no directions have been given, and to the extent permitted by law, as the proxy sees fit), at the Meeting of the Company to be held at 4:00pm (WST) on Wednesday 30 November 2016, at Suite 3, Level 3, 1292 Hay Street, West Perth, Western Australia, and at any adjournment or postponement of that Meeting.

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

The Chairman intends to vote all available proxies in favour of each Resolution. If the Chairman 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 a Resolution, you will be expressly authorising the Chairman to vote in accordance with the Chairman's voting intentions on that Resolution even if the Resolution is connected directly or indirectly with the remuneration of a member of Key Management Personnel or a Closely Related Party of Key Management Personnel.

Step 2 - 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	Remuneration Report			
Resolution 2	Re-Election of Mr Piers Lewis as Director			
Resolution 3	Re-Election of Mr Murray Wylie as Director			
Resolution 4	Re-Election of Mr Bill Foster as Director			
Resolution 5	Ratification of Placement of 43,227,200 Shares			
Resolution 6	Approval of 10% Placement Facility			
Resolution 7	Re-Approval of Incentive Option Plan			
Resolution 8	Re-Approval of Performance Rights Plan			

The Chairman intends to vote all available proxies in favour of each Resolution.

In exceptional circumstances, the Chairman may change his voting intent on any Resolution, in which case an ASX announcement will be made.

Authorised signature/s

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

Individual or Shareholder 1

Sole Director and Sole
Company Secretary

Shareholder 2

Director

Shareholder 3

Director/Company Secretary

Contact Name

Contact Daytime Telephone

Date

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 must 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 at the Perth office of the Company (Suite 3, Level 3, 1292 Hay St, West Perth, WA 6005 or 08 9322 4073 if faxed from within Australia or +618 9322 4073 if faxed from outside Australia or by email at information@hawkleyoilandgas.com) not less than 48 hours prior to the time of commencement of the Meeting (WST).