



CENTRAL PETROLEUM LIMITED

ACN 083 254 308

NOTICE OF ANNUAL GENERAL MEETING

TIME: 10.00am (Brisbane time)

DATE: Tuesday, 10 November 2020

PLACE: Central Petroleum Limited is closely monitoring the impact of the unprecedented COVID-19 virus in Australia, and is following guidance from the Federal and State Governments. Central Petroleum Limited's 2020 Annual General Meeting will be a virtual meeting, which will be conducted online at **web.lumiagm.com/339391321**. There will not be a physical meeting where shareholders can attend.

This Notice of Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on (+61 7) 3181 3800.

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IMPORTANT INFORMATION

Time, date and online platform for Meeting being held virtually

Notice is given that the Meeting will be a virtual meeting, which will be conducted online at 10.00am (Brisbane time) on Tuesday, 10 November 2020. There will not be a physical meeting where Shareholders can attend.

Shareholders choosing to participate online on the day of the Meeting will be able to view a live webcast of the meeting, ask the Directors questions online and submit votes in real time.

To participate online you will need to visit **web.lumiagm.com/339391321** on your smartphone, tablet or computer.

You will need the latest versions of Chrome, Safari, Internet Explorer 11, Edge or Firefox. Please ensure your browser is compatible. For further instructions on how to participate online please view the online meeting user guide at **www.centralpetroleum.com.au**.

Your vote is important

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

Voting eligibility

The Directors have determined pursuant to Regulation 7.11.37 of the *Corporations Regulations 2001* (Cth) and ASX Settlement Operating Rule 5.6.1, that the persons eligible to vote at the Meeting are those who are registered Shareholders at 7.00pm (Sydney time) on Sunday, 8 November 2020.

Voting online during the Meeting

To vote online during the Meeting, participate in the Meeting virtually at the time, date and website link / online platform set out above.

Voting by proxy

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

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

- each Shareholder has a right to appoint a proxy;
 - the proxy need not be a Shareholder of the Company; and
 - a Shareholder who is entitled to cast 2 or more votes may appoint 2 proxies and may specify the proportion or number of votes each proxy is appointed to
-

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

If a Voting Form is signed by an attorney, the original or a certified copy of the power of attorney or other authority under which the Voting Form is signed must be sent with the Voting Form.

Voting Forms (and if the appointment is signed by the appointer's attorney, the original power of attorney or other authority under which the appointment was signed or a certified copy of the authority) must be received by the Company's share registry, Computershare Investor Services Pty Limited by 10.00am (Brisbane time) on Sunday, 8 November 2020. A proxy may be lodged with Computershare Investor Services Pty Limited:

- online at www.investorvote.com.au
- by mail to:

Computershare Investor Services Pty Limited
GPO Box 242
Melbourne Victoria 3001 Australia
- by fax to:

(in Australia) 1800 783 447
(outside Australia) +61 3 9473 2555

Voting exclusions

The Corporations Act and the ASX Listing Rules require that certain persons must not vote, and the Company must disregard any votes cast by or on behalf of certain persons on some of the Items to be considered at the Meeting. Details of the applicable voting exclusions for a proposed Item are set out below each applicable Item.

The Company will also apply these voting exclusions to persons appointed as attorney by a Shareholder to participate and vote at the Meeting under a power of attorney, as if they were appointed as a proxy.

Undirected proxies

The Chair intends to vote undirected proxy votes in favour of all Items (subject to the voting exclusions specified in this Notice).

Voting by corporate representative

A Shareholder or proxy which is a corporation and entitled to participate and vote at the Meeting may appoint an individual to act as its corporate representative to vote at the Meeting. The appointment must comply with section 250D of the Corporations Act. The representative must provide evidence of his or her appointment.

Voting by attorney

A Shareholder entitled to participate and vote at the Meeting is entitled to appoint an attorney to participate and vote at the Meeting on the Shareholder's behalf. An attorney need not themselves be a Shareholder.

The power of attorney appointing the attorney must be signed and specify the name of each of the Shareholder, the Company and the attorney, and also specify the

meeting(s) at which the appointment may be used. The appointment may be a standing one.

To be effective, the power of attorney must also be returned in the same manner, and by the same time, as specified for Voting Forms.

Questions

Please note, only shareholders may ask questions online during the Meeting once they have been verified. It may not be possible to respond to all questions. It is encouraged to lodge questions prior to the Meeting before 5.00pm (Brisbane time) on Sunday, 8 November 2020 by:

- sending an email to **info@centralpetroleum.com.au**
- completing the contact form at **www.centralpetroleum.com.au/contact**
- sending mail to:

Central Petroleum Limited
Attention: Company Secretary
GPO Box 292
Brisbane, Queensland 4001
- delivery by hand at:

Central Petroleum Limited
Attention: Company Secretary
Level 7
369 Ann Street
Brisbane, Queensland 4000
- by fax to:

+61 7 3181 3855
- submitting your question at **www.investorvote.com.au** (whilst online direct or proxy voting remains open)

BUSINESS OF THE MEETING

AGENDA

1. FINANCIAL STATEMENTS AND REPORTS

To receive and consider the annual financial report of the Company for the financial year ended 30 June 2020 together with the director's report and the auditor's report.

2. ADOPTION OF REMUNERATION REPORT

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

"That, for the purposes of section 250R(2) of the Corporations Act and for all other purposes, approval is given for the adoption of the Remuneration Report as contained in the Company's annual financial report for the financial year ended 30 June 2020."

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

Voting Exclusions for Item 2:

Votes may not be cast, and the Company will disregard any votes cast, on Item 2:

- by or on behalf of any member of the Key Management Personnel whose remuneration details are included in the Remuneration Report, or any of their Closely Related Parties, regardless of the capacity in which the votes are cast; or
- by any person who is a member of the Key Management Personnel as at the time the Item is voted on at the Meeting, or any of their Closely Related Parties, as a proxy,

unless the votes are cast as a proxy for a person who is entitled to vote on the Item:

- in accordance with a direction in the proxy appointment; or
- by the Chair in accordance with an express authorisation in the proxy appointment to cast the votes even if the Item is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

3. ELECTION OF DIRECTORS

(a) RE-ELECTION OF DR AGU JAN KANTSLE

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

"That, Agu Jan Kantsler, a Director appointed by the Board since the last general meeting of the Company retires in accordance with the Constitution and the ASX Listing Rules, and being eligible, is re-elected as a Director."

(b) RE-ELECTION OF MR MICHAEL "MICK" JOSEPH MCCORMACK

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

"That, Michael Joseph McCormack, a Director appointed by the Board since the last general meeting of the Company retires in accordance with the Constitution and the ASX Listing Rules, and being eligible, is re-elected as a Director."

(c) **RE-ELECTION OF MR STUART THOMAS BAKER**

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

"That, Stuart Thomas Baker, a Director, retires by rotation in accordance with the Constitution and the ASX Listing Rules, and being eligible offers himself for election as a Director, is re-elected as a Director."

(d) **RE-ELECTION OF DR JULIAN DAVID FOWLES**

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

"That, Julian David Fowles, a Director, retires by rotation in accordance with the Constitution and the ASX Listing Rules, and being eligible offers himself for election as a Director, is re-elected as a Director."

4. AMENDMENT TO CENTRAL PETROLEUM LIMITED CONSTITUTION

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

"That in accordance with Section 136(2) of the Corporations Act, the Constitution of the Company be amended with immediate effect by deleting clause 15.10 and replacing it with the following:

"15.10 Written Resolutions of Directors

- (a) *The Directors may pass a resolution without a meeting of the Directors being held if all Directors, or a majority of the Directors (where notice of the resolution has been given to all Directors), who are entitled to vote on the resolution (not being less than the number required for a quorum at a meeting of the Directors) assent to a document containing a statement that they are in favour of the resolution set out in the document.*
- (b) *Separate copies of the document referred to in clause 15.10(a) may be used for assenting to by the Directors if the wording of the resolution and the statement is identical in each copy.*
- (c) *A Director may signify assent to a document under this clause 15.10 by signing the document or by notifying a Secretary of the assent of the Director by any technology including facsimile, email or telephone.*
- (d) *The resolution is passed when the last Director, or the last of the Directors constituting a majority (as applicable), has assented to the document."*

Voting Explanation: In order to be passed, at least 75% of the total votes cast by Shareholders entitled to vote on this Item 4 (whether or not they are present at the meeting virtually or by proxy) must vote in favour of this Item 4.

5. EQUITY GRANTS TO MANAGING DIRECTOR

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

"That, for the purposes of ASX Listing Rule 10.14 and for all other purposes, the issue of up to 496,171 Share Rights to Mr Leon Devaney (or his nominee) under the Company's Employee Rights Plan and otherwise on the terms and conditions set out in the Explanatory Statement, is approved."

Voting Exclusions for Item 5

The Company will disregard any votes cast in favour of the resolution in Item 5 by or on behalf of:

- Mr Devaney or his nominee; and
- an associate of that person or those persons.

However, this does not apply to a vote cast in favour of a resolution by:

- A person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or
- The Chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the Chair to vote on the resolution as the Chair decides; or
- A holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - The beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and
 - The holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Voting Prohibition Statement

In accordance with section 250BD of the Corporations Act, a person appointed as a proxy must not vote, on the basis of that appointment, on the resolution in Item 5 if:

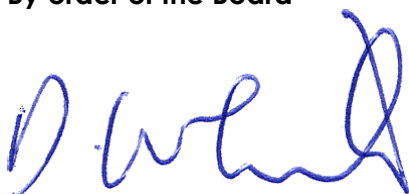
- the proxy is either a member of the Key management personnel or a Closely Related Party of such member; and
- the appointment does not specify the way the proxy is to vote on the resolution.

However, the above prohibition does not apply if:

- the proxy is the Chair; and
- the appointment expressly authorises the Chair to exercise the proxy even though the Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

Dated: 9 October 2020

By order of the Board



DANIEL WHITE
COMPANY SECRETARY

EXPLANATORY STATEMENT

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

1. FINANCIAL STATEMENTS AND REPORTS

In accordance with section 317 of the Corporations Act, the business of the Meeting will include receipt and consideration of the annual financial report of the Company for the financial year ended 30 June 2020, together with the directors' report and the auditor's report.

Shareholders will be given a reasonable opportunity at the Meeting to ask questions and make comments on these reports and on the business, operations, financial position, management, and prospects of the Company. The Company's external auditor will be in attendance to respond to questions in relation to the conduct of the audit and the preparation and content of the auditor's report.

The Company will not provide a hard copy of the Company's annual financial report to Shareholders unless specifically requested to do so. The Company's annual financial report is available on its website at **www.centralpetroleum.com.au**.

This item does not require a formal resolution and so no vote will be held.

2. ADOPTION OF REMUNERATION REPORT

2.1 General

The Corporations Act requires that at the Meeting, a resolution that the Remuneration Report be adopted must be put to Shareholders. However, such a resolution is advisory only and does not bind the Company or the Directors.

The Remuneration Report sets out the Company's remuneration arrangements for the Directors and senior management of the Company. The Remuneration Report is part of the directors' report contained in the annual financial report of the Company for a financial year.

The chair of the Meeting must allow a reasonable opportunity for Shareholders to ask questions about or make comments on the Remuneration Report at the Meeting.

2.2 Directors' recommendation

Noting that each Director has a personal interest in their own remuneration from the Company (as described in the Remuneration Report), and that each Director (and any Closely Related Party of the Director) would be excluded from voting their Shares on the Item, **ALL** Directors recommend that Shareholders **VOTE IN FAVOUR** of this Item.

3. RE-ELECTION OF DIRECTORS

3.1 RE-ELECTION OF DR AGU JAN KANTSLER

(a) General

Dr Agu Jan Kantsler was appointed by the other Directors as an addition to the Board on 15 June 2020. Dr Kantsler, having been appointed to fill a casual vacancy will retire in accordance with the ASX Listing Rules and the Constitution and, being eligible, seeks re-election at the Meeting. Dr Kantsler holds office until the end of the Meeting unless re-elected.

(b) Background on Dr Agu Jan Kantsler

Dr Agu Kantsler has some 45 years of experience in the international and Australian upstream oil and gas industry and has spent over 20 years in senior leadership positions and 10 years serving on the boards of several listed and private companies.

He is currently a Non-Executive Director of Oil Search Limited and the Managing Director of Transform Exploration Pty Ltd. He is a former President of the Chamber of Commerce and Industry Western Australia, a former Director of the Australian Chamber of Commerce and Industry and a former Chairman and Director of the Australian Petroleum Production and Exploration Association (APPEA).

Agu spent 15 years working for Shell International Petroleum in various international exploration assignments and his final position was Exploration Manager for the Shell Group of Companies in Indonesia. He then spent 13 years as Executive Vice President for Exploration and New Ventures with Woodside Petroleum Limited where he led teams credited with numerous oil and gas discoveries including the giant Pluto and Calliance gas fields. Agu then spent two years as the Executive Vice President for Health, Safety and Security at Woodside where he restructured the team of HSS professionals providing management advice on safety, welfare and security for over 16,000 construction workers in Southeast Asia and Australia as well as operations at Woodside's nine major production facilities.

Dr Kantsler was awarded APPEA's Reg Sprigg gold medal for service to the industry in 2005 and in 2006 was elected to Fellowship of the Australian Academy of Technological Sciences and Engineering.

(c) Directors' recommendation

ALL Directors (with Dr Kantsler abstaining) recommend that Shareholders **VOTE IN FAVOUR** of his re-election.

3.2 RE-ELECTION OF MR MICHAEL "MICK" JOSEPH MCCORMACK

(a) General

Mr Michael "Mick" Joseph McCormack was appointed by the other Directors as an addition to the Board on 1 September 2020. Mr McCormack, having been appointed to fill a casual vacancy will retire in accordance with the ASX Listing Rules and the Constitution and, being eligible, seeks re-election at the Meeting. Mr McCormack holds office until the end of the Meeting unless re-elected.

(b) Background on Mr Michael "Mick" Joseph McCormack

Mick has over 35 years' experience in the energy infrastructure sector in Australia and is recognised as a visionary, thought-leader and proven corporate leader, as demonstrated through his 14-year tenure as CEO of APA Group.

As CEO for APA Mick transformed the gas delivery system in Australia with the development of a pipeline grid system, introducing world leading innovative technologies such as bi-directional flows and gas storage flexibility.

Mick led \$12 billion in investment within energy infrastructure developments across the country which includes gas fired power generation, gas processing, LNG processing, electricity transmission, and large scale renewables (wind and solar), all building our nation's energy security.

Corporately, Mick is recognised for his value-accretive M&A strategies; effective capital allocation and prudent capital management; impeccable corporate governance and a strong, vibrant and inclusive culture.

On becoming CEO of APA in 2005, there were 30 employees, with assets of \$1.3bn. On his retirement in July 2019, APA had over 3,000 employees and assets of \$24bn. Over the 14 years he led APA, the company delivered a compound rate of return to securityholders of over 17% per annum, making it one of the ASX's top performing companies.

The growth and development of the APA Group demonstrates the success of Mick's vision and determination. Renowned as an outstanding CEO, Mick has a proven and recognised ability to deliver for all stakeholders in an issue-laden sector during challenging corporate cycles.

In 2016 Mick was recognised through the 'Australian Pipeline and Gas Association Outstanding Contribution Award' and in 2019 was awarded Australian Pipeline and Gas Association Honorary Life membership. In addition to his leadership at APA Group, Mick formerly held senior roles at AGL, and is a former Director of Envestra (now Australian Gas Infrastructure Group) and the Australian Pipeline Industry Association (now Australian Pipelines and Gas Association).

Mick is a director of the Clontarf Foundation and the Australian Brandenburg Orchestra Foundation.

(c) Directors' recommendation

ALL Directors (with Mr McCormack abstaining) recommend that Shareholders **VOTE IN FAVOUR** of his re-election.

3.3 RE-ELECTION OF MR STUART THOMAS BAKER

(a) General

Mr Stuart Thomas Baker is retiring as a Director by rotation as required by the ASX Listing Rules and the Constitution and, being eligible, is seeking re-election. Mr Baker holds office until the end of the Meeting, unless re-elected.

Mr Baker has been a Director of the Company since 7 December 2018.

(b) Background on Mr Stuart Thomas Baker

Mr Baker has more than four decades of experience in the oil and gas sector and currently provides independent advice to corporates and investors in the Australian oil and gas industry.

Previously he was Executive Director, Morgan Stanley with dual roles as Co-Head Asia Oil, Gas and Chemicals Research and team leader, Australian energy, mining and utility research, with positions held over a 13-year period.

He also held senior equity research positions in oil and gas, at Macquarie Bank and Bankers Trust, and as a Petrophysical Engineer at Schlumberger Inc. based in South East Asia, rising to General Field Engineer.

Mr Baker is currently a member of the investment committee of resource focused ASX listed Lowell Resources Fund, and is a member of the Governing Board of Shelford Girls Grammar School, Melbourne.

(c) Directors' recommendation

ALL Directors (with Mr Baker abstaining) recommend that Shareholders **VOTE IN FAVOUR** of his re-election.

3.4 RE-ELECTION OF DR JULIAN DAVID FOWLES

(a) General

Dr Julian David Fowles is retiring as a Director by rotation as required by the ASX Listing Rules and the Constitution and, being eligible, is seeking re-election. Dr Fowles holds office until the end of the Meeting, unless re-elected.

Dr Fowles has been a Director of the Company since 28 June 2019.

(b) Background on Dr Julian David Fowles

Dr Fowles is a petroleum industry professional with over 30 years in international leadership roles, including 17 years with Shell International, as well as positions with other major listed companies. Dr Fowles comes with extensive board, shareholder and analyst engagement experience.

Most recently Dr Fowles was a senior executive with Oil Search Limited, leading the PNG operated and non-operated oil and LNG production and development businesses.

Dr Fowles was previously the executive leading Oil Search's Exploration and New Business teams and has also been involved in the development and implementation of Oil Search's opportunity development framework, targeting major projects through key assurance processes from pre-concept to FID.

Dr Fowles is a Graduate of the Australian Institute of Company Directors and holds a BSc (Hons) degree from the University of Edinburgh and a PhD from the University of Cambridge. Dr Fowles also holds a Graduate Diploma in Applied Finance and Investment.

- (c) Directors' recommendation

ALL Directors (with Dr Fowles abstaining) recommend that Shareholders **VOTE IN FAVOUR** of his re-election.

4. AMENDMENT TO CENTRAL PETROLEUM LIMITED CONSTITUTION

4.1 General

The Company is proposing to amend its constitution by deleting existing clause 15.10 and replacing it with the following:

"15.10 Written Resolutions of Directors

- (a) The Directors may pass a resolution without a meeting of the Directors being held if all Directors, or a majority of the Directors (where notice of the resolution has been given to all Directors), who are entitled to vote on the resolution (not being less than the number required for a quorum at a meeting of the Directors) assent to a document containing a statement that they are in favour of the resolution set out in the document.*
- (b) Separate copies of the document referred to in clause 15.10(a) may be used for assenting to by the Directors if the wording of the resolution and the statement is identical in each copy.*
- (c) A Director may signify assent to a document under this clause 15.10 by signing the document or by notifying a Secretary of the assent of the Director by any technology including facsimile, email or telephone.*
- (d) The resolution is passed when the last Director, or the last of the Directors constituting a majority (as applicable), has assented to the document."*

The effect of this proposed amendment is to improve the drafting and modernise the provisions about how the Directors may pass written (circulating) resolutions, so that they afford Directors greater practical flexibility about how such resolutions can be agreed to, and promote overall efficiency of the Board.

Under section 136(2) of the Corporations Act, amendments to the Constitution may only be made by special resolution of shareholders.

4.2 Directors' recommendation

ALL Directors recommend that Shareholders **VOTE IN FAVOUR** of this Item.

5. EQUITY GRANTS TO MANAGING DIRECTOR

5.1 General

The Company recognises the need to preserve cash under current market conditions and to provide a retention incentive for the Managing Director and Chief Executive Officer to remain employed by the Company for a further 3 years.

Consequently the Company is proposing, subject to obtaining Shareholder approval, to issue up to 496,171 Share Rights under the Company's Employee Rights Plan (**2020 STIP Share Rights**) to Mr Leon Devaney (Managing Director and

Chief Executive Officer) (or his nominee) to satisfy the FY2020 Short Term Incentive (**2020 STI**) payment of \$43,762.36 owed to Mr Leon Devaney (**Proposed Issue**). The 2020 STIP Share Rights are subject to a 3 year employment condition, meaning that (except in very limited circumstances) they will only vest and be capable of exercise if Mr Devaney remains employed by the Company on and from 1 July 2020 to and including 30 June 2023.

5.2 Regulatory requirements

ASX Listing Rule 10.14 provides that an entity must not permit a director or an associate of a director to acquire equity securities under an employee incentive scheme without the approval of the holders of its ordinary securities.

As Mr Devaney is the Managing Director of the Company the issue of Share Rights under the Employee Rights Plan requires Shareholder approval under Listing Rule 10.14.

5.3 Issue of Service Contingent Share Rights

Shareholder approval is being sought for the issue of the 2020 STIP Share Rights to Mr Devaney (or his nominee) pursuant to ASX Listing Rule 10.14 and for all purposes under the Corporations Act and the ASX Listing Rules.

If the resolution in Item 5 is passed, the Company will be able to proceed with the Proposed Issue and Mr Devaney's 2020 STI will be satisfied by way of the issue of the 2020 STIP Share Rights.

The 2020 STIP Share Rights will be issued under the Company's Employee Rights Plan and in accordance with the Company's Short Term Incentive Plan Policy for the year ending 30 June 2020 (**2020 STIP**) (which permits the payment of the 2020 STI by issuing CTP securities instead of cash) and otherwise under the terms described in this Explanatory Statement. The relevant terms and conditions of the Employee Rights Plan, 2020 STIP and 2020 STIP Share Rights are summarised in this Explanatory Statement and include a condition that Mr Devaney must remain employed by the Company in the period on and from 1 July 2020 to and including 30 June 2023.

If the resolution in Item 5 is not passed, the Company will not be able to proceed with the Proposed Issue and the Company will be required to cash settle Mr Devaney's 2020 STI.

5.4 Additional information required under ASX Listing Rule 10.15

ASX Listing Rule 10.15 requires this Notice of Meeting to include the following information in relation to the Share Rights which are proposed to be issued to Mr Devaney.

- (a) The 2020 STIP Share Rights will be issued to Mr Devaney or his nominee. Mr Devaney is a Director and therefore falls within Listing Rule 10.14.1. In the event the 2020 STIP Share Rights are issued to a nominee of Mr Devaney, that person will fall within Listing Rule 10.14.2.
- (b) The Company is seeking shareholder approval to issue up to 496,171 2020 STIP Share Rights, entitling Mr Devaney (or his nominee) to a maximum of 496,171 Shares if all 2020 STIP Share Rights subsequently vest. The number of 2020 STIP Share Rights (round down to the nearest whole number) was determined by reference to the 2020 STI award to Mr Devaney of \$43,762.36 divided by the 20-day VWAP prior to 30 June 2020 of \$0.0882. The Share Rights to be issued to Mr Devaney (or his nominee) will be under existing class ASX Code CTPAA.

- (c) The Remuneration Report, in the 2020 Central Petroleum Limited Annual Report, sets out details of Mr Devaney's current remuneration. The framework of Mr Devaney's total current remuneration comprises:
- (i) Total Annual Fixed Remuneration (includes compulsory superannuation contributions) (**TFR**) of \$612,061;
 - (ii) Short Term Incentive eligibility, with a maximum opportunity of 10% of TFR for FY2021; and
 - (iii) Executive Share Option Plan (**ESOP**) participation through the grant of 5,105,000 Share Options approved by shareholders on 7 November 2019 (the ESOP replaced the existing Long Term Incentive Plan (**LTIP**) for Mr Devaney and any Share Options granted under the ESOP are in lieu of Share Rights that would otherwise have been granted to Mr Devaney under the LTIP until 30 June 2022).
- (d) Mr Devaney has previously been granted Share Rights (at no cost) under the Employee Rights Plan as follows:
- (i) 1,837,109 Share Rights (ASX code: CTPAA) since being appointed a Director, under the LTIP for the financial year beginning 1 July 2018. This grant was approved by shareholders on 7 November 2019; and
 - (ii) 3,365,532 Share Rights (ASX code: CTPAA) allocated over a four year period, under the LTIP while acting as CTP's Chief Commercial Officer and Chief Financial Officer.

As stated above, whilst 2020 STIP Share Rights are in the existing class of CTP security (ASX code: CTPAA), these Share Rights are being granted under CTP's 2020 STIP (and in lieu of the 2020 STI cash payment) and not under the LTIP (as the LTIP was replaced by the ESOP for Mr Devaney until 30 June 2022).

- (e) If approved by Shareholders, the Share Rights will be issued to Mr Devaney (or his nominee) as soon as practicable after the Meeting but, in any event, not later than 3 years after the Meeting.
- (f) No amount is payable on the grant or exercise of the 2020 STIP Share Rights.
- (g) The 2020 STIP Share Rights are issued under and governed by the terms of the Employee Rights Plan and 2020 STIP. Those terms (including the performance criteria) are summarised in Schedule 1.
- (h) No loan will be provided to Mr Devaney in relation to the issue of the 2020 STIP Share Rights.
- (i) Details of any securities issued under the 2020 STIP will be published in each annual report of the entity relating to the period in which the securities were issued, along with a statement that approval for the issue was obtained under ASX Listing Rule 10.14. Any additional persons covered by ASX Listing Rule 10.14 who become entitled to participate in an issue of securities under the 2020 STIP after this Item is approved and who were not named in the Notice of Meeting will not participate until approval is obtained under that rule.

(j) A voting exclusion statement is included in the Notice of Meeting.

5.5 Directors' recommendation

The Directors (with Mr Leon Devaney abstaining due to his personal interest as the proposed recipient of the Share Rights the subject of this Item) recommend that Shareholders **VOTE IN FAVOUR** of Item 5.

GLOSSARY

\$ means Australian dollars.

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

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

ASX Listing Rules means the Listing Rules of ASX.

Board means the current board of directors of the Company.

Chair means the chair of the Meeting.

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

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

Company or **CTP** means Central Petroleum Limited (ACN 083 254 308).

Constitution means the Company's constitution.

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

Directors means the current directors of the Company.

Employee Rights Plan means the Central Petroleum Limited Employee Rights Plan, approved by shareholders on 14 November 2018.

Explanatory Statement means the explanatory statement accompanying the Notice.

FY2020 means the financial year ending 30 June 2020.

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

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

Remuneration Report means the remuneration report set out in the Director's report section of the Company's annual financial report for the year ended 30 June 2020.

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

Share Right means the right to be allocated a Share, subject to the terms of the Employee Rights Plan.

Shareholder means a registered holder of a Share.

STIP means the Company's Short Term Incentive Plan.

Voting Form means the voting form accompanying the Notice and/or sent to Shareholders.

SCHEDULE 1 – 2020 STIP SHARE RIGHTS TERMS

The 2020 STIP Share Rights are issued under the Company's Employee Rights Plan and 2020 STIP. The terms and conditions of the 2020 STIP Share Rights are as follows:

(a) **Performance criteria – 2020 STIP Share Rights**

The 2020 STIP Share Rights are service contingent share rights meaning there will be a sole performance condition that Mr Devaney must remain employed by the Company in the period on and from 1 July 2020 to and including 30 June 2023 (**Service Period**).

The vesting date for 2020 STIP Share Rights is 1 July 2023 (**Vesting Date**).

If the performance condition is satisfied on the Vesting Date, one hundred percent (100%) of the unvested Share Rights will vest and be capable of being exercised on the Vesting Date, subject to the terms of the Employee Rights Plan and the 2020 STIP.

In accordance with the terms of the Employee Rights Plan, the Board has a discretion to waive the performance criteria prescribed in Mr Devaney's Plan Offer prior to the expiry date for the Share Rights, including (but without limitation) if there is a 'change in control event' or 'uncontrollable event' as described below.

If the performance criteria is not wholly satisfied prior to the expiry date, Mr Devaney's rights in relation to those Share Rights will lapse unless the Board determines otherwise.

The Company will determine whether Mr Devaney satisfied the requirement to remain employed during the Service Period in order to determine whether the 2020 STIP Share Rights have vested.

(b) **Exercise and lapse of Share Rights**

Mr Devaney must still be in the employment of the Company as at the Vesting Date, unless there is a 'change in control event' or 'uncontrollable event' (being death, permanent disablement, retirement, redundancy or such other circumstances which the Board determines is an 'uncontrollable event'), otherwise the unvested Share Rights will not vest and as such will be forfeited.

If Mr Devaney's employment ceases due to an 'uncontrollable event', then the Board has determined that his unvested Share Rights that have been granted but not vested at the time of the 'uncontrollable event' will be reduced on a pro-rata basis based on the commencement of a Plan Year in respect of which unvested Share Rights were granted to the date Mr Devaney ceased to be an employee, which unvested Share Rights vest and be capable of exercise on the Vesting Date.

If Mr Devaney's employment is terminated by the Company for serious misconduct (including any gross misconduct), then all his unvested Share Rights will be immediately forfeited.

If Mr Devaney ceases to be eligible to participate in the Employee Rights Plan through demotion, transfer to another role in the Company, or change of role in the Company by his choosing, then his unvested Share Rights will be forfeited.

The number of Share Rights may also be adjusted for underperformance or serious misconduct not warranting termination, in accordance with the terms of the 2020 STIP.

The vesting, exercise and lapse of the Share Rights will otherwise generally be in accordance with the terms of the Employee Share Plan, as described in Section 4 of the Explanatory Statement in the Company's 12 October 2018 Notice of Annual General Meeting (for which the meeting was held on 14 November 2018).

(c) Change of control events

The Board has determined, in accordance with its discretion under the Employee Rights Plan, that if a 'change of control event' occurs, or if the Board determines in its absolute discretion that a 'change of control event' is likely to occur:

- (i) all of Mr Devaney's unvested 2020 STIP Share Rights will automatically have any and all performance criteria waived and will immediately vest at 100% in which case Shares will be allocated subject to the valid exercise of those Share Rights by Mr Devaney; and
- (ii) all of Mr Devaney's unexercised 2020 STIP Share Rights will not be replaced and will not lapse.

In circumstance the Company is subject to a 'change of control event', or the Board determines in its absolute discretion that a 'change of control event' is likely to occur, subject to the approval of a majority of the existing Directors of the Board (being those Directors of the Board prior to: (i) the commencement of the 'change of control event'; or (ii) the time of the Board's determination that a 'change of control event' is likely to occur (and in the case of a tied vote of such Directors, the Chairman appointed among them shall have a casting vote)), the cash value of the Share Rights which have not been exercised will be payable to Mr Devaney in cash the earlier of 30 days from the 'change of control event', or the Board's determination that a 'change of control event' is likely to occur or 31st August in the current year.

For these purposes, a 'change of control event' means the occurrence any of the following:

- (i) any person (as defined in the Employee Rights Plan), either alone or together with any associate (as defined in the Corporations Act), acquires a relevant interest (as defined in the Corporations Act) in more than fifty percent (50%) of the issued Shares in the Company as a result of a takeover bid;
- (ii) any person (as defined in the Employee Rights Plan), either alone or together with any associate (as defined in the Corporations Act), acquires a relevant interest (as defined in the Corporations Act) in more than fifty percent (50%) of the issued Shares in the Company through a scheme of arrangement;
- (iii) a material change in the composition of the Board, such change being initiated as a result of a change in ownership of the Company's securities and the purchaser of the securities requiring (or agreeing with other security holders to require) that change in Board composition; or
- (iv) any other similar event (including a merger of the Company with another company, where a person (as defined in the Employee Rights Plan), either alone or together with any associate (as defined in the Corporations Act), becomes a legal or beneficial owner of more than 50% of the issued Shares in the Company or where a person (as defined in the Employee Rights Plan), either alone or together with any associate

(as defined in the Corporations Act), becomes entitled to, acquires, holds or has an equitable interest in more than 50% of the issued Shares in the Company) which the Board determines, in its absolute discretion, to be a 'change of control event'.

(d) **Effect of re-organisation of capital**

In the event of any re-organisation of the issued ordinary capital of the Company, the Share Rights will be reconstructed in accordance with the terms of the Employee Share Plan, as described in Section 4 of the Explanatory Statement in the Company's Notice of Annual General Meeting dated 14 November 2018.



CTP

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

Need assistance?



Phone:

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



Online:

www.investorcentre.com/contact



YOUR VOTE IS IMPORTANT

For your vote to be effective it must be received by **10.00am (Brisbane time) Sunday, 8 November 2020.**

Voting Form

How to Vote on Items of Business

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

VOTE DIRECTLY

Voting 100% of your holding: Mark either the For, Against or Abstain box opposite each item of business. Your vote will be invalid on an item if you do not mark any box OR you mark more than one box for that item.

Voting a portion of your holding: Indicate a portion of your voting rights by inserting the 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.

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.

PARTICIPATING IN THE MEETING

Corporate Representative

If a representative of a corporate securityholder or proxy is to participate in the meeting you will need to provide the appropriate "Appointment of Corporate Representative". A form may be obtained from Computershare or online at www.investorcentre.com under the help tab, "Printable Forms".

Lodge your Form:

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Online:

Use your computer or smartphone to lodge your vote at www.investorvote.com.au or scan your personalised QR code below using your smartphone.

Your secure access information is



Control Number: 999999

SRN/HIN: I999999999

For Intermediary Online subscribers (custodians) go to www.intermediaryonline.com

By Mail:

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

By Fax:

1800 783 447 within Australia or
+61 3 9473 2555 outside Australia



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

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

Voting Form

Please mark ☒ to indicate your directions

Step 1

Indicate How Your Vote Will Be Cast *Select one option only*

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At the Annual General Meeting of Central Petroleum Limited to be held via a virtual platform at <https://web.lumiagm.com/339391321> on Tuesday, 10 November 2020 at 10.00am (Brisbane time) and at any adjournment or postponement of that meeting, I/We being member/s of Central Petroleum Limited direct the following:

A Vote Directly ☐ Record my/our votes strictly in accordance with directions in Step 2. **PLEASE NOTE:** A Direct Vote will take priority over the appointment of a Proxy. For a valid Direct Vote to be recorded you must mark FOR, AGAINST, or ABSTAIN on each item.

OR

B Appoint a proxy to vote on your behalf

I/We hereby appoint:

☐ **The Chairman of the Meeting** OR

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).

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

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 **Items 2 and 5** (except where I/we have indicated a different voting intention in step 2) even though **Items 2 and 5** are 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 **Items 2 and 5** by marking the appropriate box in step 2.

Step 2

Items of Business

PLEASE NOTE: If you have appointed a proxy and 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. If you are directly voting and you mark the **Abstain** box for an item, it will be treated as though no vote has been cast on that item and no vote will be counted in computing the required majority.

	For	Against	Abstain
2 Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3(a) Re-election of Dr Agu Jan Kantsler	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3(b) Re-election of Mr Michael "Mick" Joseph McCormack	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3(c) Re-election of Mr Stuart Thomas Baker	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3(d) Re-election of Dr Julian David Fowles	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4 Amendment to Central Petroleum Limited Constitution	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5 Equity Grants to Managing Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Before completing your vote and returning by post, please consider using the preferred electronic voting option outlined on the front page of this form.

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.

Step 3

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

Individual or Securityholder 1

Sole Director & Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

/ /

Date

Update your communication details (Optional)

Mobile Number

Email Address

By providing your email address, you consent to receive future Notice of Meeting & Proxy communications electronically

CTP

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Computershare

