

LONGREACH OIL LIMITED



A.B.N. 98 000 131 797

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Sixty-Third Annual General Meeting of **LONGREACH OIL LIMITED** will be held at **Level 27, 25 Bligh Street, Sydney NSW** on **Wednesday 30 November 2016 at 4.00 p.m.** (Sydney time).

BUSINESS

To receive and consider the Financial Report for the year ended 30 June 2016 and the Reports of the Directors and Auditors.

There is no requirement for shareholders to approve these Reports.

Ordinary Resolutions

To consider and if thought fit to pass the following resolutions, with or without modification, as Ordinary Resolutions:

1. **"THAT** the Remuneration Report of the Company and the entities it controlled, which forms part of the Directors' Report for the year ended 30 June 2016, be considered and adopted."

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

2. **"THAT** Mr A Phillips, who retires by rotation and being eligible offers himself for re-election, be re-elected as a Director of the Company".
3. **"THAT** Mr D Kelton, having been appointed as a Director since the last Annual General Meeting and who retires in accordance with the Constitution and being eligible offers himself for election, be elected as a Director of the Company

SPECIAL BUSINESS

To consider and if thought fit to pass the following resolution, with or without modification, as an Ordinary Resolution:

4. **"THAT** for the purposes of ASX Listing Rule 7.4 and for all other purposes, shareholders ratify and approve the prior issue of a total of 50,000,000 unlisted options as specified in and on such terms and conditions referred to in the Explanatory Statement accompanying this Notice".

To transact any other business which may be brought forward in accordance with the Company's Constitution.



Voting Exclusion Statements

Resolution 1

The Company will disregard any votes cast (in any capacity) on Resolution 1 by a member of the Company's Key Management Personnel named in the 2016 Remuneration Report, or by a closely related party of any such member as defined in the Corporations Act 2001, on the proposed Resolution 1, unless the vote is cast as proxy for a person entitled to vote in accordance with a direction on the proxy form; or the vote is cast by the Chairman of the Meeting where he has been expressly authorised to do so.

Resolution 4

The Company will disregard any votes cast on Resolution 4 by Drew Kelton or any of his associates.

However, the Company will not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or it is cast by a person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

Note: See the accompanying Explanatory Statement for further information on Resolutions 1 and 4.

By order of the Board

Longreach Oil Limited

A handwritten signature in dark ink, appearing to read 'J Rosenberg'.

J Rosenberg
Managing Director

26 October 2016

PROXIES

Members unable to attend the meeting are invited to complete and lodge the enclosed Proxy Form. A member entitled to attend and vote may appoint not more than two proxies, who need not be members. Where more than one proxy is appointed, each proxy may be appointed to represent a specified proportion of the member's voting rights. To be valid, proxies may be lodged at the Company's Registered Office - Level 27, 25 Bligh Street, Sydney, NSW, Australia - or may be transmitted to FAX number - (02) 9475 0154 - or sent via e-mail to **lgo@longreachoil.com** - and must be received no later than forty-eight (48) hours before the scheduled start of the meeting. A proxy form presented by a company can be under its Common Seal.



INFORMATION FOR SHAREHOLDERS

Explanatory Statement

This Notice of Annual General Meeting should be read in conjunction with the attached Explanatory Statement.

Voting entitlements

The Directors have determined that in accordance with Regulation 7.11.37 and 7.11.38 of the Corporations Regulations 2001, the persons eligible to vote at the Meeting will be those persons who are registered shareholders as at **4.00 p.m. (Sydney time) on Monday 28 November 2016**

Appointment of Proxies

A shareholder entitled to attend and vote at the meeting is entitled to appoint not more than two proxies.

Where more than one proxy is appointed, each proxy may be appointed to represent a specified number or proportion of votes. If no such number or proportion is specified, each proxy may exercise half of the shareholder's votes. A proxy does not have to be a shareholder of the Company.

Shareholders are encouraged to consider how they wish to direct their proxies to vote.

The proxy form must be signed by the shareholder or his or her attorney in accordance with the directions on the proxy form.

To be valid, the proxy form and the power of attorney or other authority (if any) under which it is signed (or an attested copy) must be received by the Company at the address or fax number listed below not later than 48 hours before the time for holding the meeting; that is **no later than 4.00 p.m. on 28 November 2016**.

The proxy form must be lodged with the Company at either its Registered Office - Level 27, 25 Bligh Street, Sydney, NSW, Australia - or may be transmitted to FAX number - (02) 9475 0154 - or sent via e-mail to **lgo@longreachoil.com**.

Corporate Representatives

A company wishing to appoint a person to act as its representative at the meeting must provide the person with:

- a letter or certificate executed in accordance with the Corporations Act authorising that person as the corporate shareholder's representative at the meeting; or
- a copy of the resolution appointing that person as the corporate shareholder's representative at the meeting, certified by a secretary or director of the corporate shareholder.

Proxy voting on Resolution 1 (Remuneration Report)

The Key Management Personnel of the Group and their closely related parties will not be able to vote as your proxy on Resolution 1 unless you tell them how to vote, or the Chairman of the Meeting is your proxy. If you intend to appoint a member of the Key Management Personnel or one of their closely related parties as your proxy, please ensure that you direct them how to vote on Resolution 1, otherwise they will not be able to cast a vote as your proxy on that item. You can direct your proxy how to vote on an item of business (i.e. to vote "For", "Against" or "Abstain") by marking the appropriate box opposite the item on the proxy form.

However, if you appoint the Chairman of the Meeting as your proxy or the Chairman of the Meeting is appointed as your proxy by default, but you do not mark a voting box for Resolution 1, by signing and returning the proxy form you will be taken to have expressly authorised the Chairman of the Meeting to exercise the proxy in respect of that Resolution, even though that Resolution is connected with the Remuneration of the Company's Key Management Personnel.

The Chairman of the Meeting intends to vote undirected proxies in FAVOUR of all Resolutions, including Resolution 1 (adoption of the Remuneration Report).

LONGREACH OIL LIMITED



EXPLANATORY STATEMENT TO NOTICE OF ANNUAL GENERAL MEETING

This Explanatory Statement has been prepared for the information of shareholders of **Longreach Oil Limited** in connection with the business to be conducted at the Annual General Meeting (AGM) of Shareholders to be held at Level 27, 25 Bligh Street, Sydney NSW, on **Wednesday 30 November 2016 at 4.00 p.m.** (Sydney time), specifically in respect of Resolutions 1 and 4. This Explanatory Statement should be read in conjunction with the Notice of Meeting.

FINANCIAL REPORT and REPORTS OF DIRECTORS AND AUDITORS

This matter deals with the presentation of the Annual Financial Report, Directors' Report and Auditor's Report for the Company and its controlled entities for the year ended 30 June 2016. In accordance with the Corporations Act 2001, shareholders will be given a reasonable opportunity at the AGM to ask questions and make comments on the financial statements and reports and on the management of the Company.

During discussion of this item, the Company's auditor will be present and available to answer questions relevant to the conduct of the audit, the preparation and content of the Auditor's Report, the accounting policies adopted by the Company in relation to the preparation of financial statements or the independence of the auditor in relation to the conduct of the audit.

No resolution is required to be moved in respect of this item of business.

RESOLUTION 1 - ADOPTION OF REMUNERATION REPORT

In accordance with the Corporations Act 2001, the Remuneration Report is put to shareholders for adoption. Details of the Remuneration Report are included in the Directors' Report and in Note 17.1 in the Financial Report. The vote on this resolution is advisory only and does not bind the Directors or the Company.

The Key Management Personnel of the Group are the Directors of Longreach Oil Limited (LGO) (the parent entity) and of its subsidiary, Southern Cross Exploration N L (till 28 August 2014, when it ceased to be a controlled entity), being persons having authority and responsibility for planning, directing and controlling the activities of the Group, directly or indirectly. The Remuneration Report identifies the Key Management Personnel of the Group for the year ended 30 June 2016. Their closely related parties are defined in the Corporations Act 2001, and include certain of their family members, dependants and companies they control.

The Key Management Personnel of the Group and their closely related parties will not be able to vote as your proxy on Resolution 1 unless you tell them how to vote, or the Chairman of the Meeting is your proxy. If you intend to appoint a member of the Key Management Personnel or one of their closely related parties as your proxy, please ensure that you direct them how to vote on Resolution 1, otherwise they will not be able to cast a vote as your proxy on that item. You can direct your proxy how to vote on an item of business (i.e. to vote "For", "Against" or "Abstain") by marking the appropriate box opposite the item on the proxy form.

However, if you appoint the Chairman of the Meeting as your proxy or the Chairman of the Meeting is appointed as your proxy by default, but you do not mark a voting box for Resolution 1, by signing and returning the proxy form you will be taken to have expressly authorised the Chairman of the Meeting to exercise the proxy in respect of that Resolution, even though that Resolution is connected with the Remuneration of the Company's Key Management Personnel.

The Corporations Act 2001 provides shareholders with the opportunity to remove the Directors from office if 25% or more of the votes are cast against adoption of the Remuneration Report at two consecutive Annual General Meetings (the Two Strikes Rule). If 25% or more of votes that are cast are cast against adoption of the Remuneration Report at two consecutive Annual General Meetings, the Company is required to put an ordinary resolution (Spill Resolution) to the second such meeting as to whether another general meeting should be held within 90 days at which all directors, other than a Managing Director, who were in office at the date of approval of the applicable Directors' Report must stand for re-election.

Since the Remuneration Report put to the previous Annual General Meeting of the Company was adopted by a majority of more than 75% of the votes cast, there is no requirement to put a Spill Resolution to this Annual General Meeting.

During discussion on this item of business, there will be reasonable opportunity for shareholders to ask questions about, or comment on, the Remuneration Report.

The Directors unanimously recommend that shareholders vote FOR the adoption of this Resolution 1.

**RESOLUTION 4 - RATIFICATION AND APPROVAL OF PRIOR ISSUE OF UNLISTED OPTIONS**

The purpose of Resolution 4 is for shareholders to ratify and approve, under ASX Listing Rule 7.4, those issues of securities which occurred during the 12 months before the date of this Annual General Meeting which count towards the Company's 15% limit under ASX Listing Rule 7.1. ASX Listing Rule 7.1 provides that prior approval of shareholders is required for an issue of securities if the securities will, when aggregated with the securities issued by the entity during the previous 12 months, exceed 15% of the number of the securities at the commencement of the 12 month period.

The issue of unlisted options detailed in Resolution 4 did not exceed the 15% threshold. However, ASX Listing Rule 7.4 provides that where an entity ratifies an issue of securities, the issue will be treated as having been made with approval for the purpose of ASX Listing Rule 7.1, thereby replenishing that entity's 15% capacity and enabling it to issue further securities up to that limit.

The information required to be given to shareholders to satisfy ASX Listing Rule 7.4 is specified in ASX Listing Rule 7.5. The following particulars in relation to the allotment and issue of the shares is provided to shareholders in compliance with ASX Listing Rule 7.5:

OPTIONS ISSUED:

- (i) The total number of unlisted options issued (the options): 50,000,000
- (ii) The options were issued to Drew Kelton being part of his remuneration.
- (iii) The issue price of the options: Nil
- (iv) The options have an exercise price of \$0.012 vesting in three tranches on 1 March 2016, 1 March 2017 and 1 March 2018, and all with an expiry date of 1 March 2018.
- (v) The options upon exercise rank equally with the Company's existing ordinary fully paid shares on issue.
- (vii) The issue of the options did not breach ASX Listing Rule 7.1.

The Directors unanimously recommend that shareholders vote FOR Resolution 4.

Voting exclusion statements have been included in the Notice of Meeting in respect of Resolutions 1 and 4.

By order of the Board

Longreach Oil Limited

A handwritten signature in dark ink, appearing to read 'J Rosenberg'.

J Rosenberg
Managing Director

26 October 2016

LONGREACH OIL LIMITED

ABN 90 000 131 797



PROXY FORM

Registered Office:

Level 27, 25 Bligh Street,
Sydney NSW 2000,
Australia

Phone: (61 2) 8277 6683

Fax: (61 2) 9475 0154

Postal Address:

Level 27, 25 Bligh Street,
Sydney NSW 2000,
Australia

e-mail: lgo@longreachoil.com

I/We _____

of _____

being a shareholder/(s) of **Longreach Oil Limited**, entitled to attend and vote, hereby appoint:

☐

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

OR - if you are **NOT** appointing the Chairman of the Meeting as your proxy, please write the name of the individual or body corporate you are appointing as proxy below:

Name: _____

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the Meeting on my/our behalf and to vote in accordance with the following directions or, if no directions have been given and to the extent permitted by law, as the proxy sees fit, at the Annual General Meeting of **Longreach Oil Limited** to be held on **Wednesday 30 November 2016 at 4.00 p.m. at Level 27, 25 Bligh Street, Sydney NSW** and at any adjournment or postponement thereof.

AUTHORITY FOR CHAIRMAN TO VOTE UNDIRECTED PROXIES ON REMUNERATION RELATED RESOLUTIONS

Where I/we have appointed the Chairman as my/our proxy (or where the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on Resolution 1 (except where we have indicated a different voting intention below) even though Resolution 1 is connected directly with the remuneration of a member of the Key Management Personnel, which includes the Chairman.

CHAIRMAN'S VOTING INTENTION IN RELATION TO UNDIRECTED PROXIES

The Chairman intends to vote undirected proxies in favour of all Resolutions.

Voting directions to your proxy

Please mark "X" in the appropriate boxes below:

Resolution

FOR AGAINST ABSTAIN

1 Adoption of Remuneration Report

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2 Re-election of Director - Mr A Phillips

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3 Election of Director - Mr D Kelton

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4 Ratification and approval of prior issue of 50,000,000 unlisted options

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Please note: If you mark the "Abstain" box for a particular Resolution, you are directing your proxy not to vote on that Resolution on a show of hands or on a poll and your votes will not be counted in computing the required majority if a poll is called.

If two proxies are being appointed, the proportion of voting rights this proxy represents is: _____%

SIGNATURE OF SHAREHOLDER/S This form **must** be signed to enable your directions to be implemented.

Individual or Shareholder 1

Individual/Sole Director
and Sole Company Secretary

Shareholder 2

Director

Shareholder 3

Director/Company Secretary

Date: / / 2016

Contact name

Contact Number and/or e-mail address

[pto - Instructions]



COMPLETION OF PROXY FORM

YOUR VOTE IS IMPORTANT

For your vote to be effective it must be received by the Company before 4.00 pm (Sydney time), 28 November 2016

1. APPOINTMENT OF PROXY

A shareholder entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote on their behalf at the Meeting. Indicate on the Proxy Form who you want to appoint as your proxy. If you wish to appoint the Chairman of the Meeting as your proxy, mark the relevant box.

If you wish to appoint someone other than the Chairman of the Meeting as your proxy, please write the full name of that individual or body corporate. If you leave this section blank, or your named proxy does not attend the meeting, the Chairman of the Meeting will be your proxy. A proxy need not be a shareholder of the Company. Do not write the name of the issuer company or the registered shareholder in the space.

Appointment of a Second Proxy

You are entitled to appoint up to two proxies to attend the meeting and vote. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by contacting the Company or you may copy this form.

To appoint a second proxy you must:

- (a) Complete two Proxy Forms. On each Proxy Form state the percentage of your voting rights or the number of shares applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded.
- (b) Return both forms together in the same envelope.

2. VOTING DIRECTIONS TO YOUR PROXY

To direct your proxy how to vote, mark one of the boxes opposite each item of business: "For", Against" or "Abstain". All your shares will be voted in accordance with such a direction unless you indicate only a portion of shares are to be voted on any item by inserting the percentage or number that you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on a given item, your proxy may vote as he or she chooses. If you mark more than one box on an item for all your shares, your vote on that item will be invalid.

Proxy which is a Body Corporate

Where a body corporate is appointed as your proxy, the representative of that body corporate attending the meeting must have provided an "Appointment of Corporate Representative" prior to admission. An Appointment of Corporate Representative form can be obtained from the Company.

3. SIGN - and DATE - THE FORM

The form must be signed as follows:

Individual: This form is to be signed by the shareholder.

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

Power of Attorney: To sign under a Power of Attorney, you must have already lodged it with the Company. Alternatively, attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: This form must be signed by a Director jointly with either another Director or a Company Secretary. Where the company has a Sole Director who is also the Sole Company Secretary, this form should be signed by that person. Please indicate the office held by signing party in the appropriate place.

Date the Proxy Form when signed.

4. LODGEMENT OF PROXY FORM

Proxy Forms (and any Power of Attorney under which it is signed) must be received by the Company no later than 48 hours before the commencement of the meeting; therefore by 4.00 pm (Sydney time) on 28 November 2016. Any Proxy Form received after that time will not be valid for the scheduled meeting.

Proxy forms may be lodged as follows:

by Mail:	Level 27, 25 Bligh Street, Sydney, NSW 2000 Australia
or by Fax:	(61 2) 9475 0154
or by e-mail:	lgo@longreachoil.com
or by Hand:	Level 27, 25 Bligh Street, Sydney, NSW 2000 Australia