



CENTRAL PETROLEUM LIMITED

ACN 083 254 308

NOTICE OF ANNUAL GENERAL MEETING

TIME: 10am (Brisbane time)

DATE: Thursday, 7 November 2019

PLACE: Christie Conference Centre
Room A
Level 1, 320 Adelaide Street
Brisbane QLD 4000

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 and place of Meeting

Notice is given that the Meeting will be held at 10am (Brisbane time) on Thursday, 7 November 2019 at:

Christie Conference Centre
Room A
Level 1, 320 Adelaide Street
Brisbane QLD 4000

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 Tuesday, 5 November 2019.

Voting in person

To vote in person, attend the Meeting at the time, date and place set out above.

Voting by proxy

To vote by proxy, please complete and sign the enclosed 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 10am (Brisbane time) on Tuesday 5 November 2019. A proxy may be lodged with Computershare Investor Services Pty Limited:

- online at www.investorvote.com.au;

- by mail at:

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

- by hand at:

Computershare Investor Services Pty Limited
452 Johnston Street
Abbotsford, Victoria 3067

- by fax to:

(in Australia) 1800 783 447
(outside Australia) +62 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 attend 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), except Item 7 (if that Item is put to the vote at the Meeting).

If Item 7 is put to the vote at the Meeting, the Chair intends to vote against that Item (subject to the voting exclusions specified in this Notice).

Voting by corporate representative

A Shareholder or proxy which is a corporation and entitled to attend 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 should bring to the Meeting evidence of his or her appointment unless it has previously been provided to the Company's share registry.

Voting by attorney

A Shareholder entitled to attend and vote at the Meeting is entitled to appoint an attorney to attend 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.

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 2019 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 2019."

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 MR WRIXON FRANK GASTEEN

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

"That, Wrixon Frank Gasteen, 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."

(b) RE-ELECTION OF MS KATHERINE ANNE HIRSCHFELD AM

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

"That, Katherine Anne Hirschfeld AM, 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, Mr Stuart Thomas Baker, 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."

(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, Dr Julian David Fowles, 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."

4. APPROVAL OF EXECUTIVE SHARE OPTION PLAN

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 7.1, and in accordance with ASX Listing Rule 7.2 (Exception 9), and for all other purposes, the Company's Executive Share Option Plan and issues of securities under that plan is approved on the terms and conditions set out in the Explanatory Statement."

Voting Exclusions for Item 4:

Votes may not be cast, and the Company will disregard any votes cast in favour of Item 4:

- by or on behalf of any Director who is eligible to participate in any Company employee incentive scheme, or any of their associates, 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.

5. SHARE OPTIONS

(a) RATIFICATION OF PRIOR ISSUE

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 7.4, and for all other purposes, shareholders ratify the issue of 13,046,116 Share Options on the terms and conditions set out in the Explanatory Statement."

Voting Exclusions for Item 5(a):

The Company will disregard any votes cast in favour of Item 5(a) by or on behalf of a person who participated in the issue of the Share Options or any associate of such a person. However, the Company need 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 Voting Form, or, it is cast by the Chair as proxy for a person who is entitled to vote, in accordance with a direction on the Voting Form to vote as the proxy decides.

(b) AMENDMENT TO TERMS OF SHARE OPTIONS

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 6.23.4, approval is given for the Company to change the Expiry Date of the 13,046,116 Share Options referred to in Item 5(a) from 30 June 2032 to 30 June 2023."

Voting Exclusions for Item 5(b):

The Company will disregard any votes cast in favour of Item 5(b) by or on behalf of a holder of the Share Options or any associate of such a person. However, the Company need 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 Voting Form, or, it is cast by the Chair as proxy for a person who is entitled to vote, in accordance with a direction on the Voting Form to vote as the proxy decides.

6. EQUITY GRANTS TO MANAGING DIRECTOR

(a) ISSUE OF SHARE RIGHTS

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 1,837,109 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 6(a):

Votes may not be cast, and the Company will disregard any votes cast in favour of Item 6(a):

- by or on behalf of Mr Devaney being the only Director who is eligible to participate in the Employee Rights Plan, or any of his associates, 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.

(b) ISSUE OF SHARE OPTIONS

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 5,105,000 Share Options to Mr Leon Devaney under the Company's Executive Share Option Plan and otherwise on the terms and conditions set out in the Explanatory Statement is approved."

Voting Exclusions for Item 6(b):

Votes may not be cast, and the Company will disregard any votes cast in favour of Item 6(b):

- by or on behalf of Mr Devaney being the only director who is eligible to participate in the Executive Share Option Plan, or any of his associates, 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.

CONTINGENT ITEM

7. SPILL MEETING

If (and only if) at least 25% of the votes cast on Item 2 are against the adoption of the Remuneration Report, to consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That, as required by the Corporations Act 2001 (Cth):

- (a) an extraordinary general meeting of the Company (**Spill Meeting**) be held within 90 days after the passing of this resolution;*
- (b) all of the Directors of the Company in office at the time when the resolution to make the directors' report for the financial year ended 30 June 2019 was passed, other than the Managing Director, cease to hold office immediately before the end of the Spill Meeting; and*
- (c) resolutions to appoint persons to offices that will be vacated immediately before the end of the Spill Meeting be put to the vote at the Spill Meeting."*

Note: This item will only be considered if 25% or more of the votes cast on Item 2 are against the adoption of the Remuneration Report. Without limiting the manner in which the voting on the other resolutions may be conducted, if this resolution is put to the meeting, voting on it will be conducted by way of a poll.

Voting Exclusions for Item 7:

Votes may not be cast, and the Company will disregard any votes cast, on Item 7:

- 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, 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.

Dated: 4 October 2019

By order of the Board



JOSEPH PATRICK MORFEA

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 2019 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 MR WRIXON FRANK GASTEEN

(a) General

Wrixon Frank Gasteen 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 Gasteen holds office until the end of the Meeting, unless re-elected.

Mr Gasteen has been a Director of the Company since 22 June 2012 and is currently the Non-Executive Interim Chairman.

(b) Background on Mr Wrixon Frank Gasteen

Mr Gasteen has over 30 years' experience in mining, oil and gas and manufacturing industries in Australia and Asia.

He is an experienced Managing Director and CEO, Executive Director, Independent Non-Executive Director and Chairman of both listed and private companies in Australia, Singapore, Malaysia, and the United States. He is a senior advisor to Australian companies.

He has held senior management positions in the Resources Industry in Australia. As Chief Mining Engineer, he led the Exploration and Engineering team that discovered and then developed the Boundary Hill Coal Mine in Central Queensland. He became its inaugural Mine Manager.

As Managing Director and CEO of Hong Leong Asia Limited, listed on the Singapore Stock Exchange (SGX: HLA), he transformed and grew the company 7 fold, through acquisitions and organic growth, from a loss making company to a highly profitable conglomerate with \$2.2 billion in sales, 80% of which were in China and SE Asia. Mr Gasteen was also Director of Tasek Corporation (cement) listed on Kuala Lumpur Stock Exchange (KLSE) and Chairman and President of China Yuchai International (diesel engines) listed on the New York Stock Exchange (NYSE).

During his term as Managing Director and CEO of HLA, he was presented with two successive annual awards by the Securities Investors Association of Singapore (SIAS) for Corporate Transparency. The BRW ranked Mr Gasteen No.3 in their Top 20 Australians Managing in Asia.

Mr Gasteen is an Executive Director of Australian dairy milk powder products company, CBS International. He is a Director and co-founder of Ikon Corporate (Singapore), established in 2007 to provide corporate advisory, capital raising and management consulting services.

Mr Gasteen holds a BE (Mining) (Hons) degree from the University of Queensland and an MBA (Distinction) from the University of Geneva.

(c) Directors' recommendation

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

3.2 RE-ELECTION OF MS KATHERINE ANNE HIRSCHFELD AM

(a) General

Katherine Anne Hirschfeld AM was appointed by the other Directors as an addition to the Board on 7 December 2018. Ms Hirschfeld, 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. Ms Hirschfeld holds office until the end of the Meeting unless re-elected.

(b) Background on Ms Katherine Anne Hirschfeld AM

Ms Hirschfeld is a highly regarded non-executive director, having served on company boards listed on the ASX, NZX and NYSE, as well as government and private company boards.

She is currently the Chair of Powerlink, Senator at the University of Queensland and a board member of Queensland Urban Utilities and Tellus Holdings Ltd.

Ms Hirschfeld has also been a Board Member and President of UN Women National Committee Australia and non-executive director of Energy Queensland, Tox Free Solutions, InterOil Corporation, Broadspectrum and Snowy Hydro.

Previously she had leadership roles with BP in oil refining, logistics, exploration and production located in Australia, the UK and Turkey.

Ms Hirschfeld was recognised in the AFR/Westpac 100 Women of Influence 2015, by Engineers Australia as one of Australia's Top 100 Most Influential Engineers 2015 and as an Honorary Fellow in 2014. She is a member of Chief Executive Women. Ms Hirschfeld is also an executive mentor/coach with Merryck & Co.

In 2019 Ms Hirschfeld was appointed a Member of the Order of Australia (AM) for significant service to engineering, to women, and to business.

Ms Hirschfeld is a Fellow of the Australian Institute of Company Directors and the Academy of Technology and Engineering. She is also a Fellow and Chartered Engineer of the institution of Chemical Engineers and holds a BE (Chem) degree from the University of Queensland.

(c) Directors' recommendation

ALL Directors (with Ms Hirschfeld abstaining) recommend that Shareholders **VOTE IN FAVOUR** of her re-election.

3.3 RE-ELECTION OF MR STUART THOMAS BAKER

(a) General

Stuart Thomas Baker was appointed by the other Directors as an addition to the Board on 7 December 2018. Mr Baker, 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 Baker holds office until the end of the Meeting unless re-elected.

(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 at 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 strategic advisor to Karoon Gas. Mr Baker is also a member of the Governing Council for the Shelford Girls Grammar School.

Mr Baker is a Member of the Australian Institute of Company Directors and holds a BE (Elec) degree from the University of Melbourne and an MBA from the University of Melbourne Graduate School of Management.

- (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 was appointed by the other Directors as an addition to the Board on 28 June 2019. Dr Fowles, 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 Fowles holds office until the end of the Meeting unless re-elected.

- (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. APPROVAL OF EXECUTIVE SHARE OPTION PLAN

4.1 General

Following the vote on the Company's Remuneration Report at the 2018 Annual General Meeting, the Board has consulted with key Shareholders regarding appropriate equity incentives for key executives. On 9 August 2019, the Board resolved to establish an Executive Share Option Plan for certain key executives. It is intended that the Executive Share Option Plan will replace the existing Employee Rights Plan for participating executives and any Share Options issued under the Executive Share Option Plan will be in lieu of the Share Rights that would otherwise have been granted over the next three years under the Employee Rights Plan.

The Board believes that the Share Options will provide a direct, transparent alignment between the interests of Shareholders and executives.

4.2 Regulatory requirements

ASX 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.

Under Listing Rule 7.2 (Exception 9), an issue of equity securities which is made under an employee incentive scheme is not counted towards the 15% limit in ASX Listing Rule 7.1 if, within three years before the date of the issue, holders of ordinary securities have approved the issue of securities under the scheme as an exception to this ASX Listing Rule.

The Company wishes to obtain Shareholder approval under ASX Listing Rule 7.2 (Exception 9) so that issues of securities under the Executive Share Option Plan during the next three years are not counted towards the Company's 15% limit under ASX Listing Rule 7.1.

The issue of securities under the Executive Share Option Plan has not been previously approved by Shareholders. A total of 13,046,116 Share Options have been granted to key executives. Ratification of this prior issue is being sought under Item 5(a) (which is discussed in more detail at Section 5 below).

As required by ASX Listing Rule 7.2 (Exception 9), a summary of the terms of the Executive Share Option Plan is provided to Shareholders in Schedule 1.

4.3 Directors' recommendation

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

5. SHARE OPTIONS

5.1 RATIFICATION OF PRIOR ISSUE

- (a) General

On 20 August 2019, the Company announced that it had issued 13,046,116 Share Options to key executives under the Executive Share Option Plan (**August Share Options**).

For these key executives, the Share Options that they have been granted and will be granted in the next three years will replace future issues of Share Rights under the Employee Rights Plan (i.e. these executives will not be granted any new Share Rights over the next three years).

Item 5(a) seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of the August Share Options.

(b) Regulatory requirements

A summary of ASX Listing Rule 7.1 is contained in Section 4.2 above.

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

By ratifying this issue of Share Options, the Company will retain the flexibility to issue equity securities in the future up to the 15% annual placement capacity set out in ASX Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

(c) Disclosures required under ASX Listing Rule 7.5

ASX Listing Rule 7.5 requires this Notice of Meeting to include the following specified information in relation to the August Share Options.

(i) The number of securities issued and the names of the persons to whom the securities were issued

13,046,116 Share Options were issued to the following executives on 20 August 2019:

- (A) Mr Ross Evans, Chief Operations Officer;
- (B) Mr Damian William Galvin, Chief Financial Officer;
- (C) Mr Duncan Lockhart, General Manager (Exploration);
and
- (D) Mr Robin Polson, Chief Commercial Officer.

(ii) The price at which the securities were issued

The August Share Options were issued for nil consideration.

(iii) The terms of the securities

The August Share Options were issued under the Executive Share Option Plan and are governed by the terms of that plan which are summarised in Schedule 1. The August Share Options are also governed by certain additional terms and conditions which were stipulated in the offers given to the relevant executives. These additional terms and conditions are summarised in Schedule 2.

(iv) Use of (or intended use) funds raised

No funds were raised from the issue.

(d) Directors' recommendation

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

5.2 AMENDMENT TO TERMS OF SHARE OPTIONS

(a) General

As outlined in Section 5.1 above, the Company issued 13,046,116 Share Options to the following executives on 20 August 2019:

- (i) Mr Ross Evans, Chief Operations Officer;
- (ii) Mr Damian William Galvin, Chief Financial Officer;
- (iii) Mr Duncan Lockhart, General Manager (Exploration); and
- (iv) Mr Robin Polson, Chief Commercial Officer.

On their current terms, each August Share Option will expire on 30 June 2032 (***Expiry Date***). An August Share Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

The Company and the relevant recipients of the August Share Options have agreed that the August Share Options will expire on 30 June 2023 instead of 30 June 2032, subject to Shareholder approval.

Item 5(b) seeks Shareholder approval pursuant to ASX Listing Rule 6.23.4 to change the Expiry Date of the August Share Options from 30 June 2032 to 30 June 2023.

(b) Regulatory requirements

ASX Listing Rule 6.23.4 provides that a change to the terms of options which is not prohibited under Listing Rule 6.23.3 can only be made if holders of ordinary securities approve the change.

A change to the Expiry Date is one which is not prohibited by Listing Rule 6.23.3. Accordingly, Listing Rule 6.23.4 requires Shareholder approval for this change.

(c) Directors' recommendation

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

6. EQUITY GRANTS TO MANAGING DIRECTOR

6.1 General

As announced on 21 February 2019, the Company has appointed Mr Leon Devaney as the Managing Director and Chief Executive Officer.

Item 6(a) relates to the proposed issue of Share Rights to Mr Devaney (or his nominee) under the Employee Rights Plan in respect of the financial year beginning 1 July 2018.

Item 6(b) relates to the issue of Share Options to Mr Devaney under the Company Executive Share Option Plan in respect of the financial year beginning 1 July 2019.

6.2 Regulatory requirements

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

As Mr Devaney is the Managing Director of the Company:

- (a) the issue of Share Rights under the Employee Rights Plan; and
- (b) the issue of Share Options under the Executive Share Option Plan,

each require Shareholder approval under Listing Rule 10.14.

6.3 ISSUE OF SHARE RIGHTS

The Company intends to issue up to 1,837,109 Share Rights under the Company's Employee Rights Plan (**Share Rights**) to Mr Leon Devaney, the Managing Director and Chief Executive Officer of the Company (or his nominee), as a long term performance incentive.

The Share Rights will be issued under the Company's Long Term Incentive Plan Policy for the year commencing 1 July 2018 (**2018 LTIP**) and otherwise under the terms described in this Explanatory Statement (**2018 Share Rights**). The terms and conditions of the 2018 LTIP are summarised at Schedule 3.

If Shareholder approval is obtained, the Company intends to enter into an agreement with Mr Devaney (or his nominee) to implement the approval, which will include (without limitation) provisions that once the applicable vesting conditions attaching to the Share Rights are satisfied or waived, Mr Devaney (or his nominee) will be entitled to one Share for each Share Right subject to the valid exercise of those Share Rights by Mr Devaney (or his nominee).

Shareholder approval is being sought for the issue to Mr Devaney (or his nominee) of up to 1,837,109 Share Rights under the Employee Rights Plan pursuant to ASX Listing Rule 10.14 and for all purposes under the Corporations Act and the ASX Listing Rules.

6.4 ISSUE OF SHARE OPTIONS

The Company intends that grants under the Executive Share Option Plan replace grants of Share Rights to certain key executives, including Mr Devaney, that would otherwise have been made for the 2019 and the following two financial years.

The Company intends to issue 5,105,000 Share Options under the Executive Share Option Plan to Mr Leon Devaney, as a long term performance incentive.

The Share Options will be issued on the terms described in Schedules 1 and 2.

If Shareholder approval is obtained, the Company intends to enter into an agreement with Mr Devaney to implement the approval, which will include (without limitation) provisions that once the applicable vesting conditions attaching to the Share Options are satisfied or waived, Mr Devaney will be entitled to one Share for each Share Option subject to the valid exercise of those Share Options by Mr Devaney.

Shareholder approval is being sought for the issue to Mr Devaney of up to 5,105,000 Share Options under the Executive Share Option Plan pursuant to ASX Listing Rule 10.14 and for all purposes under the Corporations Act and the ASX Listing Rules.

6.5 Additional information required under ASX Listing Rule 10.15A

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

	Share Rights	Share Options
Date the securities will be provided	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.	If approved by Shareholders, the Share Options will be issued to Mr Devaney as soon as practicable after the Meeting but, in any event, not later than 3 years after the Meeting.
Maximum number of securities to be provided	1,837,109. If the Share Rights vest and are exercised, the Share Rights will deliver an equivalent number of Shares in the Company to Mr Devaney (or his nominee).	5,105,000. If the Share Options are exercised, the Share Options will deliver an equivalent number of Shares in the Company to Mr Devaney.
Price of the securities, performance criteria and other matters	<p>No amount is payable on the grant or exercise of these Share Rights.</p> <p>The 2018 Share Rights are issued under and governed by the terms of the 2018 LTIP. Those terms (including the performance criteria) are summarised in Schedule 3.</p>	<p>The amount payable upon exercise of each Share Option will be \$0.20. No amount is payable on the grant of a Share Option.</p> <p>The Share Options are issued under the Executive Share Option Plan and are governed by the terms of the Executive Option Plan which are summarised in Schedule 1.</p> <p>The Share Options will also be governed by certain additional terms and conditions stipulated in the offer given to Mr Devaney. These additional terms and conditions are summarised in Schedule 2.</p>

	Share Rights	Share Options
Persons referred to in ASX Listing Rule 10.14 who received securities under the Plan since the last Shareholder approval	Nil	Nil
Persons referred to in ASX Listing Rule 10.14 who are eligible to participate in the Plan	Mr Devaney is the only person referred to in ASX Listing Rule 10.14 who is currently eligible to participate in the Employee Rights Plan.	Mr Devaney is the only person referred to in ASX Listing Rule 10.14 who is currently eligible to participate in the Executive Share Option Plan.
No loan	No loan will be provided by the Company in relation to the grant of the Share Rights to, or the exercise of those Share Rights by, Mr Devaney (or his nominee).	No loan will be provided by the Company in relation to the grant of the Share Options to, or the exercise of those Share Options by, Mr Devaney.
Details to be included in annual reports	<p>Details of any securities issued under the Employee Rights Plan or the Executive Share Option Plan, as relevant, will be published in each annual report of the Company relating to a period in which the securities have been issued, and that approval for the issue of the securities was obtained under ASX Listing Rule 10.14.</p> <p>Any additional persons to whom ASX Listing Rule 10.14 applies and who become entitled to participate in the Employee Rights Plan after this resolution is approved and who are not named in this Notice of Meeting will not participate until approval is obtained under ASX Listing Rule 10.14.</p>	

The number of 2018 Share Rights to be issued to Mr Devaney (or his nominee) was determined by reference to the 'LTIP Percentage' for the relevant Plan Year which is to be outlined in Mr Devaney's Plan Offer, as determined by the Board.

The terms of the 2018 LTIP provide coverage for various levels of eligible employees up to an LTIP Percentage of 30%. The Board has determined to waive this term of the 2018 LTIP in respect of Mr Devaney (or his nominee) and instead has allocated him an LTIP Percentage of 50% for the purposes of calculating his 2018 Share Rights to recognise Mr Devaney's role as the Company's Managing Director and Chief Executive Officer.

The number of 2018 Share Rights to be issued to Mr Devaney (or his nominee) was determined by reference to Mr Devaney's LTIP Percentage multiplied by Mr Devaney's 'Total Fixed Remuneration' (his take home pay, PAYG tax deducted, and all superannuation payments, excluding

bonuses and other incentives) for the Plan Year commencing 1 July 2018, divided by the VWAP calculated immediately prior to the commencement of this Plan Year.

In respect of the Share Rights, extended periods of leave and changes to base salary may affect the calculation of the number of Share Rights calculated for a Plan Year.

6.6 Directors' recommendation in relation to Items 6(a) and 6(b)

The Directors (with Mr Leon Devaney abstaining due to his personal interest as the proposed recipient of the Share Rights and Share Options the subject of the Items) recommend that Shareholders **VOTE IN FAVOUR** of Items 6(a) and 6(b).

7. SPILL MEETING

7.1 General

(Contingent Item)

The Corporations Act now includes a 'two-strike' rule in relation to remuneration reports. The two-strike rule provides that if at least 25% of the votes cast on the resolution to adopt the remuneration report at two consecutive annual general meetings are against adopting the remuneration report, shareholders will have the opportunity to vote on a Spill resolution (described below) at the second annual general meeting.

At last year's annual general meeting, at least 25% of the votes cast on the resolution to adopt the remuneration report were against adopting the report (the first strike).

Accordingly, if at least 25% of the votes cast on Item 2 are against adopting the Remuneration Report at the Meeting, this will constitute a 'second-strike' and Item 7 will be put to the Meeting and voted on as required by s250V of the Corporations Act (the **Spill Resolution**).

If less than 25% of the votes cast on Item 2 are against adopting the Remuneration Report at the Meeting, then there will be no second-strike and Item 7 will not be put to the Meeting.

If the Spill Resolution is put to the Meeting, it will be considered as an ordinary resolution, which means that, to be passed, the item requires the approval of a simple majority of the votes cast by or on behalf of Shareholders entitled to vote on the Item.

If the Spill Resolution is passed, a further general meeting (**Spill Meeting**) must be held within 90 days after the Meeting and, immediately before the end of the Spill Meeting, each of:

- Mr Wrixon Frank Gasteen;
- Ms Katherine Anne Hirschfeld AM;
- Mr Stuart Thomas Baker; and
- Dr Julian David Fowles,

being the Directors (other than the Managing Director) who were in office when the Board approved the last directors' report (the **Relevant Directors**), will cease to hold office.

The Spill Meeting would consider the election or re-election of Directors, and each of the Relevant Directors would be eligible to seek re-election.

It is proposed that any vote would be conducted by a poll. Such a process results in each Shareholder having one vote for each Share held and in respect of which a vote is cast (subject to the voting exclusions).

7.2 Directors' recommendation

Noting that each Relevant Director would have a personal interest in any such Item, and that each Director (and any Closely Related Party of the Director) would be excluded from voting their Shares on the Item, **ALL** Directors unanimously recommend that shareholders **VOTE AGAINST** this Item.

GLOSSARY

\$ means Australian dollars.

2018 LTIP has the meaning given in Section 6.3 of the Explanatory Statement.

2018 Share Rights has the meaning given in Section 6.3 of the Explanatory Statement.

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.

August Share Option has the meaning given in Section 5.1(a) of the Explanatory Statement.

Board means the current board of directors of the Company.

Business Day means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day, and any other day that ASX declares is not a business day.

Chair means the chair of the Meeting.

Chief Executive Officer means the current chief executive officer of the Company.

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 Rules.

Executive Share Option Plan means the Central Petroleum Executive Share Option Plan.

Expiry Date means the last date of exercise for a Share Option under the Executive Share Option Plan.

Explanatory Statement means the explanatory statement accompanying the Notice.

Group means the Company and its Related Bodies Corporate.

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.

Managing Director means the current managing director of the Company.

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

Related Body Corporate has the meaning given in section 9 of the Corporations Act.

Relevant Directors has the meaning given in section 7.1 of the Explanatory Statement.

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 2019.

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

Shareholder means a registered holder of a Share.

Share Options means options issued under the Executive Share Option Plan.

Share Rights has the meaning given in Section 6.3 of the Explanatory Statement.

Spill Resolution has the meaning given in Section 7.1 of the Explanatory Statement.

Spill Meeting has the meaning given in Section 7.1 of the Explanatory Statement.

Voting Form means the voting form accompanying the Notice.

SCHEDULE 1 – TERMS OF EXECUTIVE SHARE OPTION PLAN

The terms and conditions of the Executive Share Option Plan are as follows:

(a) **Nature of Share Options**

The Board may, on behalf of the Company, make an offer to participate in the Executive Share Option Plan to an employee who the Board determines should receive an offer (**Eligible Executive**). An offer must include the number of share options (**Share Options**) to which the offer relates.

A Share Option is a right to subscribe for a Share on payment of the exercise price, subject to the terms of the Executive Share Option Plan and the offer.

Share Options will be issued for no consideration, unless otherwise determined by the Board.

The number of Share Options (if any) to be offered to an Eligible Executive from time to time will be determined by the Board in its absolute discretion.

Share Options do not give any rights to participate in dividends nor to participate in any pro rata issue of securities to Shareholders.

(b) **Grant of Share Options**

An Eligible Executive may only make an application to participate in the Executive Share Option Plan by returning a duly completed and signed valid acceptance form on or before the date specified in the offer as the latest date on which the acceptance form must be received by the Company (**Plan Acceptance Date**). If, at the time of returning the duly completed and signed acceptance form and at the Plan Acceptance Date, the Eligible Executive continues to be an Eligible Executive, then the Eligible Executive accepts the offer and agrees to be bound by the terms of the offer, the acceptance form and the rules of the Executive Share Option Plan.

As soon as reasonably practicable following the receipt of a duly completed and signed valid acceptance form (or, if later, the Plan Acceptance Date), the Company will, provided the relevant Eligible Executive continues to be an Eligible Executive, grant to that Eligible Executive the number of Share Options the subject of the acceptance form. The Board may decide to reject an acceptance form, in which case the Company will not grant to the Eligible Executive the Share Options applied for by the Eligible Executive and the Company shall:

- (i) provide notification to that Eligible Executive that it does not accept that Eligible Executive's plan acceptance form; and
- (ii) undertake any other action as it sees fit.

A participant in the Executive Share Option Plan may not dispose of a Share Option or grant any security interest (meaning a mortgage, charge, pledge, lien, encumbrance or other third party interest of any nature) over a Share Option, except in respect of the transmission of a Share Option to a participant's legal representative upon death or legal incapacity.

(c) **Exercise price of Share Options**

The exercise price of the Share Options will be determined by the Board and stipulated in the relevant offer.

(d) **When Share Options may be exercised**

The Board may, in its absolute discretion, prescribe service or performance conditions that must be satisfied as a condition for all or any of the Share Options to be exercised. An offer to an Eligible Executive to participate in the Executive Share Option Plan must include the performance criteria (if any) applicable to the relevant Share Options.

Once a Share Option is capable of exercise, it may be exercised at any time up until the Expiry Date.

Share Options will become capable of exercise if:

- (i) the Share Options are exercised before the Expiry Date (as stipulated in the offer);
- (ii) the Share Options have not lapsed under the terms of the Executive Share Option Plan (see below);
- (iii) any service or performance conditions stipulated in the offer as applying to the Share Options have been determined by the Board in its absolute discretion to have been satisfied or have been waived by the Board;
- (iv) the exercise price of the Option has been paid to the Company (by such means and in such manner approved by the Board or stipulated in the offer); and
- (v) the participant has lodged a duly completed notice of exercise in such form and manner as the Board may prescribe or accept from time to time.

Shares issued in accordance with the plan will rank equally with all other Shares on issue as at the time of allocation. The Company must apply for ASX quotation of Shares issued in accordance with the plan (provided the Company's Shares are quoted on the ASX at that time).

(e) **Lapse of Share Options**

All of a participant's Share Options will lapse on the earliest to occur of:

- (i) the Expiry Date (as stipulated in the offer); or
- (ii) unless otherwise stated in the offer, the date that the Board determines that any service or performance conditions stipulated in the offer as applying to the Share Options cannot be met.

Unless otherwise stated in the offer, the Board in its absolute discretion may decide that some or all of a participant's Share Options will lapse if a Participant ceases to be an employee for reasons other than:

- (i) the participant and the Board agreeing in writing that the participant has entered into a bona fide retirement;

- (ii) the Board determining in its absolute discretion that the participant is no longer able to perform their duties due to poor health, injury or disability;
- (iii) the participant dying; or
- (iv) any other circumstance that results in the participant ceasing to be an employee which the Board considers not to necessitate a lapse of that participant's Share Options.

Unless otherwise determined by the Board, a Share Option will immediately lapse if the participant purports to transfer, assign, mortgage, charge, encumber sell or otherwise dispose of the Share Option, whether voluntarily or involuntarily (except in respect of the transmission of a Share Option to a participant's legal representative upon death or legal incapacity).

Upon the lapse of a Share Option, all of the participant's rights in respect of that Share Option cease.

(f) Change of control events

Unless otherwise stated in the offer, if any of the following 'change of control events' occur:

- (i) a change in control of the Company (where control has the meaning given in the Corporations Act);
- (ii) where members of the Company approve any compromise or arrangement for the purpose of, or in connection with, a scheme for the reconstruction of the Company or its amalgamation with any other body corporate or bodies corporate (other than a scheme that does not involve a change in the ultimate beneficial ownership of the Company), which will, upon becoming effective, result in any person (either alone or together with its associates) owning 50% or more of the issued capital of the Company;
- (iii) where a takeover bid is made to acquire 50% or more of the issued capital (or such lesser number of Shares that when combined with the shares that the bidder (together with its associates) already owns will amount to 50% or more of the issued capital of the Company) and the takeover bid becomes unconditional and the bidder (together with its associates) has a relevant interest in 50% or more of the issued capital of the Company;
- (iv) where a person (either alone or together with its associates) becomes the legal or the beneficial owner of, or acquires a relevant interest in, 50% or more of the issued capital of the Company;
- (v) where a person (either alone or together with its associates) becomes entitled to acquire or acquires an equitable interest in 50% or more of the issued capital of the Company;
- (vi) a resolution is passed for the winding-up of the Company; or
- (vii) any other event determined by the Board in good faith to constitute a "change of control event", excluding any internal reorganisation of the structure, business and/or assets of the Company,

or the Board determines in its absolute discretion that such a 'change of control event' is likely to occur, the Board may determine in its absolute discretion the manner in which any or all of a participant's Share Options will be dealt with including, without limitation, in a manner that allows the participant to participate in and/or benefit from any transaction arising from or in connection with the 'change of control event'.

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

If there is a reorganisation of the capital of the Company (including any subdivision, consolidation, reduction, return or cancellation of such capital of the Company), the rights of each participant holding Share Options will be changed to the extent necessary to comply with the Listing Rules applicable to a reorganisation of capital at the time of the reorganisation.

SCHEDULE 2 – OFFER TERMS OF THE SHARE OPTIONS

The offer terms and conditions of the August Share Options and the Share Options proposed to be issued to Mr Devaney are as follows:

(a) **Entitlement**

Each Share Option entitles the participant to subscribe for one Share upon exercise of the Share Option.

(b) **Exercise Price**

The amount payable upon exercise of each Share Option will be \$0.20 (**Exercise Price**).

(c) **Expiry Date**

August Share Options

Each August Share Option will expire on 30 June 2032. An August Share Option not exercised before the Expiry Date will automatically lapse.

If Item 5(b) is passed, the Expiry Date for the August Share Options will change from 30 June 2032 to 30 June 2023.

Share Options to be issued to Mr Devaney

Each Share Option will expire on 30 June 2023.

(d) **Exercise Period**

The Share Options are exercisable from 1 July 2022 until the Expiry Date (**Exercise Period**).

(e) **Notice of Exercise**

The Share Options may be exercised during the Exercise Period by notice in writing to the Company in the form set out in the offer.

(f) **Shares issued on Exercise**

Shares issued on exercise of the Share Options rank equally with the then issued shares of the Company. These Shares will automatically be delivered and registered in the participant's name as soon as practicable after the Share Options are exercised.

(g) **Lapse on termination of employment**

Some or all of a participant's Share Options will lapse if a participant's employment is terminated by reason of their:

- (i) dismissal for cause in circumstances justifying summary dismissal;
or
- (ii) resignation.

The number of Share Options which will lapse is a function of the number of days between 1 July 2019 and the participant's termination date as a proportion of the total days between 1 July 2019 and 1 July 2022 (with the purpose of the Options lapsing on a pro-rata basis).

(h) **Change of Control**

All Share Options become exercisable if:

- (i) the shareholders of the Company vote to approve a scheme of arrangement which will, upon becoming effective, result in any person (either alone or together with its Associates) owning 50% or more of the Company's issued capital; or
- (ii) a takeover bid is made to acquire 50% or more of the Company's issued capital (or such lesser number of Shares that when combined with the Shares that the bidder (together with its associates) already owns will amount to 50% or more of the issued capital of the Company) and the takeover bid becomes unconditional and the bidder (together with its associates) has a relevant interest in 50% or more of the issued capital of the Company,

and in the event that the Share Options have not been exercised before the scheme of arrangement record date or issue of compulsory acquisition notice in the case of a takeover, the Company will cancel the Share Options and pay a settlement fee to the participant of the greater of 5 cents per Share Option or an amount equal to the consideration offered under the scheme of arrangement or takeover bid minus the Exercise Price.

SCHEDULE 3 – 2018 LTIP TERMS

The offer terms and conditions of the 2018 LTIP are as follows

(a) **Performance criteria – 2018 Share Rights**

The 2018 Share Rights are subject to two performance hurdles (described below), each with 50% weighting. The performance period for determining the maximum number of Share Rights are available for vesting is the 3 year period commencing as the start of the relevant Plan Year and ending 30 June 3 years later. In circumstances where the Board deems appropriate, to the extent that the performance hurdles are not 100% met in the applicable performance period, the Board may determine to conduct one re-test of performance as at 31 December of the same year as the original performance measure. The re-testing performance period will be the same as the original period plus the 6 months to the end of December. To the extent that the re-test results in a better performance than the original testing, the number of Share Rights as determined by the retesting will be available for vesting.

The vesting date for Share Rights that are available for vesting is the last day of the applicable performance period (the **Vesting Date**).

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.

If the performance criteria are 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. A summary of the two performance hurdles is as follows:

Hurdle	Description	Hurdle banding	Vesting percentage
'Absolute TSR' growth – Total shareholder return (i.e. growth in share price plus dividends reinvested) (50% weighting)	Company's Absolute TSR calculated as at the Vesting Date. This looks to align Mr Devaney's rewards to shareholder superior returns.	<u>Company's Absolute TSR over 3 years</u> Below 10% pa 10% to <15% pa 15% to <20% pa 20% to <25% pa 25% pa plus	<u>% of Share Rights vesting</u> 0% 25% 50% 75% 100%
'Relative TSR' – Exploration and Production (50% weighting)	Company's TSR relative to a specific group of exploration and production companies (determined by the Board within its discretion) calculated as at the Vesting Date.	<u>Company's Relative TSR over 3 years</u> Below 51st percentile 51st percentile 52nd to 75th percentile 76th percentile and above	<u>% of Share Rights vesting</u> 0% 50% 51% to 99% 100%

For the purposes of determining the maximum number of unvested Share Rights available for vesting, the Company will calculate the Company's Absolute TSR and Relative TSR effective as at the Vesting Date in accordance with the above table to determine the relative hurdle band and vesting percentage that have been met. The unvested Share Rights for the applicable hurdle met for the performance period are then multiplied by the vesting percentage achieved for that hurdle to determine the total number of unvested Share Rights that will vest on the Vesting Date.

(b) Exercise and lapse of Share Rights

Mr Devaney must still be in the employment of the Company as at the applicable 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 will vest and be capable of exercise on the vesting date when 2018 LTIP calculations, terms and conditions, have been determined.

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 previously granted in the previous Plan Years will be available and his unvested Share Rights granted in the current Plan Year 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 2018 LTIP.

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 2018 LTIP 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 2018 LTIP Share Rights will not be replaced and will not lapse.

Prior to the commencement of a 'change of control event' the Board (being those Directors of the Board prior to the commencement of the 'change of control event') also retains a discretion to approve the payment to Mr Devaney of the cash value of his Share Rights which have not been exercised, such payment to be made the earlier of 30 days from the 'change of control event' or 31 August in the current Plan Year.

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

- (i) any person, 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 50% of the issued Shares in the Company as a result of a takeover bid;
- (ii) any person, 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 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) 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
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SAMPLE ESTATE
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Need assistance?



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+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)** Tuesday 5 November 2019.

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.

ATTENDING THE MEETING

If you are attending in person, please bring this form with you to assist registration.

Corporate Representative

If a representative of a corporate securityholder or proxy is to attend the meeting you will need to provide the appropriate "Appointment of Corporate Representative" prior to admission. 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
PIN: 99999

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 at **Christie Conference Centre, Room A, Level 1, 320 Adelaide Street, Brisbane QLD 4000 on Thursday, 7 November 2019 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, 4, 6(a), 6(b) and 7** (except where I/we have indicated a different voting intention in step 2) even though **Items 2, 4, 6(a), 6(b) and 7** 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, 4, 6(a), 6(b) and 7** 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			For	Against	Abstain
2	Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	5(a)	Ratification of prior issue	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3(a)	Re-election of Mr Wrixon Frank Gasteen	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	5(b)	Amendment to terms of Share Options	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3(b)	Re-election of Ms Katherine Anne Hirschfeld AM	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	6(a)	Issue of Share Rights	<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"/>	6(b)	Issue of Share Options	<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"/>	Contingent Item				
4	Approval of Executive Share Option Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	7	Spill Meeting	<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 with the exception of **Item 7** where the Chairman of the Meeting intends to vote against. 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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