

## ASX Announcement

30 October 2017

ASX: OEX  
AIM: OEX

### Notice of Annual General Meeting

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Oilex Ltd (the Company) advises that its Annual General Meeting will be held at The Celtic Club, First Floor, 48 Ord Street, West Perth, Western Australia on Wednesday 29 November 2017 at 9.00am.

Attached is a copy of the Notice of Annual General Meeting, including an Explanatory Memorandum and Proxy Form, dispatched to shareholders today, together with the 2017 Annual Report.

For and on behalf of the Board



Mark Bolton  
Chief Financial Officer and Company Secretary

For further information, please contact:

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ABN 50 078 652 632

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ABN 50 078 652 632

## Notice of Annual General Meeting

Wednesday, 29 November 2017

at 9:00am (AWST)

at

The Celtic Club

First Floor, 48 Ord Street, West Perth

Western Australia

**Important:** 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 8 9485 3200.

## Notice of Annual General Meeting

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**NOTICE IS HEREBY GIVEN** that the Annual General Meeting of Shareholders of Oilex Ltd ABN 50 078 652 632 (**Company**) will be held at The Celtic Club, First Floor, 48 Ord Street, West Perth, Western Australia on Wednesday, **29 November 2017** at 9:00am (AWST), to conduct the business set out below.

### Voting Eligibility

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In accordance with regulation 7.11.37 of the *Corporations Regulations 2001* (Cth), the Company has determined that the shareholding of each person for the purposes of determining entitlements to attend and vote at the Annual General Meeting will be the entitlement of that person set out in the Company's register as at 4:00pm (AWST) on Monday, 27 November 2017. Accordingly, transactions registered after this time will be disregarded in determining entitlements to attend and vote at the Annual General Meeting.

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

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

### CREST – Depository Interests

Holders of Depository Interests (**DI Holders**) are invited to attend the Meeting but are not entitled to vote at the Meeting. For their votes to be counted, DI Holders must either:

1. submit a CREST Voting Instruction to the Company's agent in accordance with the instructions below; or
2. complete, sign and return the enclosed Form of Instruction to the Depository,

by **4pm GMT on 23 November 2017**. DI Holders who are CREST members and who wish to issue an instruction through the CREST electronic voting appointment service may do so by using the procedures described in the CREST Manual (available from <https://my.euroclear.com/euilegal.html>). CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting services provider(s), who will be able to take the appropriate action on their behalf.

In order for instructions made using the CREST service to be valid, the appropriate CREST message (a CREST Voting Instruction) must be properly authenticated in accordance with the specifications of Euroclear UK & Ireland Limited (**EUI**) and must contain the information required for such instructions, as described in the CREST Manual.

The message, regardless of whether it relates to the voting instruction or to an amendment to the instruction given to the UK Depository must, in order to be valid, be transmitted so as to be received by the issuer's agent (ID 3RA50) no later than 4pm GMT on 23 November 2017. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the CREST Voting Instruction by the CREST applications host) from which the issuer's agent is able to retrieve the CREST Voting Instruction by enquiry to CREST in the manner prescribed by CREST.

CREST members and, where applicable, their CREST sponsors or voting service providers should note that EUI does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the transmission of CREST Voting Instructions. It is the responsibility of each CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that the CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a CREST Voting Instruction is transmitted by means of the CREST service by any particular time. In this regard, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

The Company may treat as invalid a CREST Voting Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.

## Business of the Meeting

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### Financial and other reports

To receive and consider the financial report, together with the declaration of the Directors, the Directors' Report (including the Remuneration Report) and the auditor's report for the financial year ended 30 June 2017.

In compliance with section 315 of the Corporations Act, these reports are available in PDF format at the Investor Information section of the Company's website at: [www.oilex.com.au](http://www.oilex.com.au). If you wish to receive hard copies of these reports, please send a written request to the Company Secretary, at Oilex Ltd, Ground Floor, 44a Kings Park Road, West Perth, Western Australia, 6005.

The Explanatory Memorandum (attached) should be read in conjunction with this Notice of Meeting.

## Agenda

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### Resolution 1 – Election of Mr Paul Haywood as a Director

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

*"That, for the purposes of Article 6.3(j) of the Constitution, Listing Rule 14.4 and for all other purposes, Mr Paul Haywood, a Director who was appointed on 29 May 2017, retires, and being eligible, is elected as a Director."*

### Resolution 2 – 10% capacity to issue shares under Listing Rule 7.1A

To consider and, if thought fit, to pass the following resolution as a **special resolution**:

*"That for the purposes of Listing Rule 7.1A and for all other purposes, Shareholders approve the Company having the additional capacity to issue equity securities up to 10% of the issued capital of the Company (at the time of issue) calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 over a 12 month period from the date of the Annual General Meeting, at a price no less than that determined pursuant to Listing Rule 7.1A.3 and otherwise on the terms and conditions set out in the Explanatory Memorandum."*

### Voting Exclusion

The Company will disregard any votes cast on this Resolution by a person (and any associates or nominees of such a person) who may participate in the 10% Placement Facility and a person who might obtain a benefit if this Resolution is passed, except a benefit solely in the capacity of a holder of Shares, and any associate or nominee of that person (or those persons).

However, the Company will not disregard a vote if:

- (a) 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
- (b) it is cast by the Chair 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.

### Resolution 3 – Approval of 2017 Employee Incentive Plan

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

*"That, for the purposes of Listing Rule 7.2 (Exception 9(b)) and for all other purposes, approval is given for the Company to adopt the employee incentive scheme titled "2017 Employee Incentive Plan" and for the issue of securities under that scheme, on the terms and conditions set out in the Explanatory Memorandum."*

### **Voting Exclusion**

The Company will disregard any votes cast on this Resolution by any Director, other than any Directors who are ineligible to participate in any employee incentive scheme in relation to the Company, and any associates of those Directors.

The Company will not disregard a vote if:

- (a) 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
- (b) it is cast by the Chair 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.

### **Voting Prohibition**

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

- (a) the proxy is either a member of the Key Management Personnel or a Closely Related Party of such member; and
- (b) the appointment does not specify the way the proxy is to vote on this Resolution.

However, the above prohibition does not apply if:

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

### **Resolution 4 – Approval of potential termination benefits under the 2017 Employee Incentive Plan**

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

*“That conditional on Resolution 3 being approved, for a period commencing from the date this Resolution is passed and ending upon the expiry of all Securities issued under the 2017 Employee Incentive Plan, approval be given for all purposes including Part 2D.2 of the Corporations Act and Listing Rule 10.19 for the giving of benefits to any current or future person holding a managerial or executive office of the Company or a related body corporate in connection with that person ceasing to hold such office, on the terms and conditions in the Explanatory Memorandum”*

### **Voting Exclusion**

The Company will disregard any votes cast on this Resolution by an officer of the Company or any of its child entities who is entitled to participate in a termination benefit and their respective associates. However, the Company need not disregard a vote if:

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

### **Voting Prohibitions**

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

- (a) the proxy is either a member of the Key Management Personnel or a Closely Related Party of such member; and
- (b) the appointment does not specify the way the proxy is to vote on this Resolution.

However, the above prohibition does not apply if:

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

In accordance with section 200E(2A) of the Corporations Act, a vote on this Resolution must not be cast by any participants or potential participants in the 2017 Employee Incentive Plan and their associates, otherwise the benefit of this Resolution will be lost by such a person in relation to that person's future retirement. However, a vote may be cast by such a person if:

- (a) the person is appointed as proxy by writing that specifies the way the proxy is to vote on the Resolution; and
- (b) it is not cast on behalf of the person or an associate of the person.

## **Resolution 5 – Adoption of Remuneration Report**

To consider and, if thought fit, to pass the following resolution as a **non-binding 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 Report for the financial year ended 30 June 2017.”*

### **Voting Exclusion**

In accordance with section 250R of the Corporations Act, a vote on this Resolution must not be cast by or on behalf of a member of the Key Management Personnel whose remuneration details are included in the Remuneration Report, or a Closely Related Party of such member.

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

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

## **Resolution 6 – Approval to issue Remuneration Shares to Mr Bradley Lingo**

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

*That, pursuant to and in accordance with Listing Rule 10.11, Shareholders approve the issue of Shares in lieu of up to \$64,800 of Director's fees to Mr Bradley Lingo (or his nominees) on the terms and conditions in the Explanatory Memorandum.”*

### **Voting Exclusion**

The Company will disregard any votes cast on this Resolution by Mr Bradley Lingo or his nominees or their associates. However, the Company need not disregard a vote if:

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

## Resolution 7 – Approval to issue Remuneration Shares to Mr Paul Haywood

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

*That, pursuant to and in accordance with Listing Rule 10.11, Shareholders approve the issue of Shares in lieu of up to £6,000 of Director's fees to Mr Paul Haywood (or his nominees) on the terms and conditions in the Explanatory Memorandum."*

### **Voting Exclusion**

The Company will disregard any votes cast on this Resolution by Mr Paul Haywood or his nominees or their associates. However, the Company need not disregard a vote if:

- (a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
  - (b) it is cast by the Chair 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.
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**By order of the Board**



**Mark Bolton**  
**Company Secretary**

**24 October 2017**

## Explanatory Memorandum

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This Explanatory Memorandum has been prepared for the information of Shareholders in connection with the business to be conducted at the Annual General Meeting.

This Explanatory Memorandum should be read in conjunction with the accompanying Notice of Meeting.

## Business of the Meeting

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### Financial and other reports

Section 317 of the Corporations Act requires the Directors of the Company to put before the Annual General Meeting the financial report, Directors' Report (including the Remuneration Report), declaration of the Directors and the auditor's report for the financial year that ended before the Annual General Meeting.

In accordance with section 250S of the Corporations Act, Shareholders will be provided with a reasonable opportunity to ask questions or make statements in relation to those reports but no formal resolution to adopt the reports will be put to Shareholders at the Annual General Meeting (save for Resolution 5 in respect of the adoption of the Remuneration Report).

Shareholders will also be given a reasonable opportunity to ask the Company auditor questions about the conduct of the audit and the preparation and content of the auditor's report. In addition to taking questions at the Annual General Meeting, written questions to the Chair about the management of the Company, or the Company's auditor about:

- the preparation and content of the auditor's report;
- the conduct of the audit;
- accounting policies adopted by the Company in relation to the preparation of the financial statements; and
- the independence of the auditor in relation to the conduct of the audit,

may be submitted no later than 5 business days before the Annual General Meeting to the Company's registered office.

A copy of the Company's 2017 Annual Report is available in the Investor Information section of the Company's website at: [www.oilex.com.au](http://www.oilex.com.au).

## Resolutions

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### Resolution 1 – Election of Mr Paul Haywood as a Director – Ordinary Resolution

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Article 6.2(b) of the Constitution allows the Directors to appoint at any time a person to be a Director as an addition to the existing Directors, but only where the total number of Directors does not at any time exceed the maximum number specified by the Constitution. Article 6.3(j) of the Constitution states that any Director so appointed holds office only until the next following Annual General Meeting and is then eligible for re-election (unless such Director retired and was re-elected at a General Meeting preceding the Annual General Meeting).

Listing Rule 14.4 similarly provides that a Director appointed as an addition to the Board must not hold office (without re-election) past the next annual general meeting of the entity.

Mr Haywood has provided the following information in relation to his qualifications and experience:

Full name: Paul Haywood



Mr Haywood has a wealth of experience in capital markets, investment advisory, corporate affairs and the operational management of early stage and growth companies including six years in the Middle East. More recently, Mr Haywood has held senior management positions with UK and Australian public companies in the natural resource and energy sectors, with International experience in the UK, Middle East and Eurasia.

Mr Haywood joined the Oilex Board as Non-Executive Director in May 2017.

#### **Board recommendation**

The Board (excluding Mr Haywood) recommends that Shareholders vote in favour of Resolution 1.

Resolution 1 is an ordinary resolution.

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

### **Resolution 2 – 10% capacity to issue shares under Listing Rule 7.1A – Special Resolution**

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#### **General**

Listing Rule 7.1A provides that an Eligible Entity may seek Shareholder approval at its Annual General Meeting to allow it to issue equity securities up to 10% of its issued capital (**10% Placement Capacity**). The Company is an Eligible Entity as defined below.

If Shareholders approve Resolution 2, the number of Equity Securities the Eligible Entity may issue under the 10% Placement Capacity will be determined in accordance with the formula prescribed in Listing Rule 7.1A.2 (as set out below).

The effect of Resolution 2 will be to allow the Company to issue Equity Securities up to 10% of the Company's fully paid ordinary securities on issue under the 10% Placement Capacity during the period up to 12 months after the Meeting, without subsequent Shareholder approval and without using the Company's 15% annual placement capacity granted under Listing Rule 7.1.

Resolution 2 is a special resolution. Accordingly, at least 75% of votes cast by Shareholders present and eligible to vote at the Meeting must be in favour of Resolution 2 for it to be passed.

#### **Listing Rule 7.1A**

Listing Rule 7.1A enables an Eligible Entity to seek shareholder approval at its Annual General Meeting to issue equity securities in addition to those under the Eligible Entity's 15% annual placement capacity.

An "**Eligible Entity**" is one that, as at the date of the relevant Annual General Meeting:

- (a) is not included in the S&P/ASX 300 Index; and
- (b) has a maximum market capitalisation (excluding restricted securities and securities quoted on a deferred settlement basis) of \$300,000,000.

The Company is an Eligible Entity as it is not included in the S&P/ASX 300 Index and has a current market capitalisation of \$6.8 million.

Any Equity Securities issued under Listing Rule 7.1A must be in the same class as an existing class of quoted Equity Securities. The Company currently has 1 class of quoted Equity Securities on issue, being the Shares (ASX Code: OEX).

The exact number of Equity Securities that the Company may issue under an approval under Listing Rule 7.1A will be calculated according to the following formula:

$$(A \times D) - E$$

Where:

- A is the number of Shares on issue 12 months before the date of issue or agreement:
- (a) plus the number of Shares issued in the previous 12 months under an exception in Listing Rule 7.2;
  - (b) plus the number of partly paid shares that became fully paid in the previous 12 months;
  - (c) plus the number of Shares issued in the previous 12 months with approval of holders of Shares under Listing Rules 7.1 and 7.4. This does not include an issue of fully paid ordinary shares under the entity's 15% placement capacity without Shareholder approval; and
  - (d) less the number of Shares cancelled in the previous 12 months.
- D is 10%.
- E is the number of Equity Securities issued or agreed to be issued under Listing Rule 7.1A.2 in the 12 months before the date of issue or agreement to issue that are not issued with the approval of holders of ordinary securities under Listing Rule 7.1 or 7.4.

#### **Technical information required by Listing Rule 7.3A**

Pursuant to and in accordance with Listing Rule 7.3A, the information below is provided in relation to this Resolution 2:

##### ***Minimum price of securities issued under Listing Rule 7.1A – Listing Rule 7.3A.1***

The minimum price at which the Equity Securities may be issued is 75% of the volume weighted average price of Equity Securities in that class, calculated over the 15 ASX trading days on which trades in that class were recorded immediately before:

- (i) the date on which the price at which the Equity Securities are to be issued is agreed; or
- (ii) if the Equity Securities are not issued within 5 ASX trading days of the date in section (i) above, the date on which the Equity Securities are issued.

##### ***Risk of economic and voting dilution – Listing Rule 7.3A.2***

Any issue of Equity Securities under the 10% Placement Capacity will dilute the interests of Shareholders who do not receive any Shares under the issue.

Shareholders should note that there is a risk that:

- (i) the market price for the Company's Shares may be significantly lower on the issue date than on the date of the Meeting; and
- (ii) the Shares may be issued at a price that is at a discount to the market price for those Shares on the date of issue,

which may have an effect on the amount of funds raised by the issue or the value of the Equity Securities.

If Resolution 2 is approved by Shareholders and the Company issues the maximum number of Equity Securities available under the 10% Placement Capacity, the potential economic and voting dilution of existing Shares is shown in the following table.

The table following shows the dilution of existing Shareholders calculated in accordance with the formula outlined in Listing Rule 7.1A.2, on the basis of the current market price of Shares and the current number of Shares on issue as at the date of this Notice.

The table also shows the voting dilution impact where the number of Shares on issue (Variable A in the formula) changes and the economic dilution where there are changes in the issue price of Shares issued under the 10% Placement Capacity.

Number of Shares on Issue (Variable 'A' in Listing Rule 7.1A.2)*	Dilution			
	Issue Price (per Share)	\$0.002 50% decrease in Issue Price	\$0.004 Issue Price	\$0.006 50% increase in Issue Price
1,698,112,165 (Current Variable A)	Shares issued - 10% voting dilution	169,811,217	169,811,217	169,811,217
	Funds raised	\$339,622	\$679,245	\$1,018,867
2,547,168,247 (50% increase in Variable A)	Shares issued - 10% voting dilution	254,716,825	254,716,825	254,716,825
	Funds raised	\$509,434	\$1,018,867	\$1,528,301
3,396,224,330 (100% increase in Variable A)	Shares issued - 10% voting dilution	339,622,433	339,622,433	339,622,433
	Funds raised	\$679,245	\$1,358,490	\$2,037,735

\*The number of shares on issue (variable A in the formula) could increase as a result of the issue of shares that do not require Shareholder approval (such as under a pro-rata rights issue or scrip issued under a takeover offer) or that are issued with Shareholder approval under Listing Rule 7.1 or 7.4.

The table above uses the following assumptions:

1. There are currently 1,689,112,165 Shares on issue at the date of this Notice and no further Shares are issued or convertible securities are exercised or converted into Shares before the date of the issues of Equity Securities.
2. The issue price set out above is the closing price of the Shares on the ASX on 24 October 2017 of \$0.004.
3. The Company issues the maximum possible number of Equity Securities under the 10% Placement Capacity.
4. The Company has not issued any Equity Securities in the 12 months prior to the Meeting.
5. The issue of Equity Securities under the 10% Placement Capacity consists only of Shares. If the issue of equity securities includes options, it is assumed that these options are exercised into Shares for the purposes of calculating voting dilution effect on existing Shareholders.
6. The calculations above do not show the dilution that any one particular Shareholder will be subject to. All Shareholders should consider the dilution caused to their own shareholding depending on their specific circumstances.
7. This table does not set out any dilution pursuant to approvals under Listing Rule 7.1 or 7.4.
8. The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.

**Final date for issue – Listing Rule 7.3A.3**

The Equity Securities may be issued under the 10% Placement Capacity commencing on the date of the Meeting and expiring on the first to occur of the following:

- (i) 12 months after the date of this Meeting; and
- (ii) the date of approval by Shareholders of any transaction under Listing Rules 11.1.2 (a significant change to the nature or scale of the Company's activities) or 11.2 (disposal of the Company's main undertaking) (after which date, an approval under Listing Rule 7.1A ceases to be valid).

The Company will only issue Equity Securities under the 10% Placement Capacity during this time.

#### **Purpose of Issue under 10% Placement Capacity – Listing Rule 7.3A.4**

The Company may issue Equity Securities under the 10% Placement Capacity for the following purposes:

- (i) cash consideration, in which case the Company intends to use funds raised for activities associated with the Cambay Production Sharing Contract in India, the acquisition of new resources assets and investments and general working capital; or
- (ii) non-cash consideration, for any acquisition of new resources assets and investments including previously announced acquisitions. In such circumstances the Company will provide a valuation of the non-cash consideration as required by listing Rule 7.1A.3.

The Company will comply with the disclosure obligations under Listing Rules 7.1A.4 and 3.10.5A upon issue of any Equity Securities pursuant to Listing Rule 7.1A.

#### **Allocation policy under the 10% Placement Capacity – Listing Rule 7.3A.5**

The Company's allocation policy for the issue of Equity Securities under the 10% Placement Capacity will be dependent on the prevailing market conditions at the time of the proposed placement(s).

The recipients of any Equity Securities which may be issued under the 10% Placement Capacity have not yet been determined. However, the recipients of Equity Securities could consist of current Shareholders or new investors (or both), none of whom will be related parties of the Company.

The Company will determine the recipients at the time of the issue under the 10% Placement Capacity, having regard to the following factors:

- (i) the purpose of the issue;
- (ii) alternative methods for raising funds available to the Company at that time, including, but not limited to, an entitlement issue or other offer where existing Shareholders may participate;
- (iii) the effect of the issue of the Equity Securities on the control of the Company;
- (iv) the circumstances of the Company, including, but not limited to, the financial position and solvency of the Company;
- (v) prevailing market conditions; and
- (vi) advice from corporate, financial and broking advisers (if applicable).

Further, if the Company is successful in acquiring new resources, assets or investments, it is likely that the recipients under the 10% Placement Capacity will be vendors of the new resources, assets or investments.

#### **Previous Approval under Listing Rule 7.1A – Listing Rule 7.3A.6**

The Company has previously obtained Shareholder approval under Listing Rule 7.1A at its Annual General Meeting held on 23 November 2016. In the 12 months preceding the date of the 2017 Annual General Meeting and as at the date of this Notice, the Company has issued 517,685,166 Shares and this represents 43.86% of the total number of Shares on issue at the commencement of that 12 month period.

Details of each issue of Equity Securities by the Company during the 12 months preceding the date of the 2017 Annual General Meeting are set out in the table following.

Notes to the table:

1. Market Price means the closing price on ASX (excluding special crossings, overnight sales and exchange traded option exercises). For the purposes of this table the discount is calculated on the Market Price on the last trading day on which a sale was recorded prior to the date of issue of the relevant Equity Securities.
2. Fully paid ordinary shares in the capital of the Company, ASX Code: OEX (terms are set out in the Company's Constitution).

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3. These retention rights were convertible into Shares on a 1 for 1 basis for nil consideration upon the holder's employment with the Company being extended beyond 18 March 2017.
  4. These 2,000,000 Shares were issued to Mr Salomon on conversion of the 2,000,000 retention rights issued to Mr Salomon as approved by Shareholders at the Annual General Meeting on 23 November 2016 and upon Mr Salomon's employment with the Company being extended beyond 18 March 2017.
  5. These 190,535,385 Options were issued to sophisticated and professional investors in the European Union on 22 May 2017 and are exercisable at 0.35 pence (A\$0.0062) at any time on or before 22 November 2017.
  6. These 88,888,888 Options were issued to the Company's AIM broker on 22 May 2017 and are exercisable at 0.225 pence (A\$0.004) at any time on or before 22 May 2020.
  7. The current value is based on the closing price of the Shares \$0.004 on 24 October 2017.
  8. The current value of the Options is measured using the Black & Scholes option pricing model. Measurement inputs include the Share price on the measurement date, the exercise price, the term of the Option, the impact of dilution, the expected volatility of the underlying Share (based on weighted average historic volatility adjusted for changes expected due to publicly available information), the expected dividend yield and the risk free interest rate for the term of the Option.

#### **Voting Exclusion**

A voting exclusion statement is included in this Notice. As at the date of this Notice, the Company has not invited any existing Shareholder to participate in an issue of Equity Securities under Listing Rule 7.1A. Therefore, no existing Shareholders will be excluded from voting on Resolution 3.

Date of Issue	Number of Securities	Type of Security	Recipient of Security	Issue Price and details of any discount to Market Price <sup>1</sup> (if applicable)	Consideration, use of funds and current value as at the date of this Notice
24 November 2016	12,987,013	Shares <sup>2</sup>	Jonathan Salomon, as approved at the Annual General Meeting on 23 November 2016	Nil issue price (nil cash consideration)	Consideration: nil consideration (remuneration of Managing Director) Use of funds: not applicable (no funds raised) Current value: \$51,948 <sup>7</sup>
19 December 2016	2,000,000	Retention rights <sup>3</sup>	Jonathan Salomon, as approved at the Annual General Meeting on 23 November 2016	Nil issue price (nil cash consideration)	Consideration: nil consideration (part of remuneration package and incentive linked to performance of the Company) Use of funds: not applicable (no funds raised) Current value: \$8,000 (these were converted as per Note 3 of the 'Notes to the table' above)
17 March 2017	2,000,000	Shares <sup>2</sup>	Jonathan Salomon <sup>4</sup>	Nil issue price (nil cash consideration)	Consideration: nil consideration (issued upon conversion of 2,000,000 retention rights) Use of funds: not applicable (no funds raised) Current value: \$8,000 <sup>7</sup>
24 March 2017	271,230,456	Shares <sup>2</sup>	Sophisticated and professional investors in the European Union	An average issue price of \$0.0036 per Share, representing a discount of 28.0% to the closing market price on the date of issue (162,738,273 Shares at an issue price of \$0.00313 (issued under Listing Rule 7.1) and 108,492,183 Shares at an issue price of \$0.0043 (issued under Listing Rule 7.1A))	Consideration: Cash (\$976,430). Funds spent to date: \$976,430 has been spent. Use of funds: The funds were used for the analysis of the Cambay-23z core sample, surface studies and associated Cambay field operations in India as well as working capital. Current value: \$1,084,922 <sup>7</sup>
31 March 2017	27,123,046	Shares <sup>2</sup>	Sophisticated and professional investors in the European Union	An average issue price of \$0.0036 per Share, representing a discount of 33.3% to the closing market price on the date of issue (16,273,828 Shares at an issue price of \$0.00313 (issued under Listing Rule 7.1) and 10,849,218 Shares at an issue price of \$0.0043 (issued under Listing Rule 7.1A))	Consideration: Cash (\$97,642). Funds spent to date: \$97,642 has been spent. Use of funds: The funds were used for the analysis of the Cambay-23z core sample, surface studies and associated Cambay field operations in India as well as working capital. Current value: \$108,492 <sup>7</sup>
10 May 2017	190,535,385	Shares <sup>2</sup>	Sophisticated and professional investors in the European Union	At an issue price of \$0.004	Consideration: Cash (\$762,142). Funds spent to date: \$732,171 has been spent. Use of funds: The funds have been used for the analysis of the Cambay-23z core sample, surface studies and associated Cambay field operations in India as well as working capital. Proposed use of remaining funds: As above Current value: \$762,142 <sup>7</sup>
22 May 2017	190,535,385	Options <sup>5</sup>	Sophisticated and professional investors in the European Union	Nil issue price (nil cash consideration)	Consideration: nil consideration (free attaching Options attached to Shares issued 10 May 2017) Use of funds: not applicable (no funds raised) Current value: \$275,248 <sup>8</sup>  (The current value has only been calculated for the purpose of inclusion in this table. These options were attached to the shares issued 10 May 2017, and therefore did not require a valuation)

Date of Issue	Number of Securities	Type of Security	Recipient of Security	Issue Price and details of any discount to Market Price <sup>1</sup> (if applicable)	Consideration, use of funds and current value as at the date of this Notice
22 May 2017	88,888,888	Options <sup>6</sup>	AIM broker	Nil issue price (nil cash consideration)	Consideration: nil consideration (remuneration of AIM broker) Use of funds: not applicable (no funds raised) Current value: \$347,774 <sup>8</sup> (11,722,222 Options were converted into Shares on 4 September 2017)
4 September 2017	2,087,044	Shares <sup>2</sup>	Third party suppliers of consulting services	Nil issue price (nil cash consideration)	Consideration: nil consideration (issued in consideration of services provided in lieu of \$8,348 cash) Use of funds: not applicable (no funds raised) Current value: \$8,348
4 September 2017	11,722,222	Shares <sup>2</sup>	AIM broker exercised options	At an issue price of 0.225 pence or \$0.0037 per Share, representing a discount of 8.0% to the closing market price on the date of issue	Consideration: Cash (\$43,146). Funds spent to date: Nil Proposed use of remaining funds: working capital Current value: \$46,889

## Resolution 3 – Approval of Employee Incentive Plan – Ordinary Resolution

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### General

The Board recognises the need to adequately incentivise and remunerate staff but is keen to ensure that the Company's cash reserves are invested in development, distribution and marketing efforts to the extent possible. As such, predominantly equity based incentives continue to provide the best and most viable means for the Company to recognise and reward performance.

The key foundations of an entities incentive program are designed to:

- (a) align employee incentives with Shareholders' interests;
- (b) encourage broad-based share ownership by employees; and
- (c) assist employee attraction and retention.

### Listing Rule 7.2

Listing Rule 7.1 prohibits an entity from issuing or agreeing to issue equity securities in any 12 month period which amount to more than 15% of its ordinary securities without the approval of holders of its ordinary securities. However, Listing Rule 7.2 Exception 9(b) provides that Listing Rule 7.1 does not apply in relation to, among other things, an issue under an employee incentive scheme if within 3 years before the date of the issue the holders of the entity's ordinary securities approve the issue of securities under the scheme as an exception to Listing Rule 7.1.

The Listing Rules define "employee incentive scheme" as:

- (a) a scheme for the issue or acquisition of equity securities in an entity to be held by, or for the benefit of, participating employees or non-executive directors of the entity or a related entity; or
- (b) a scheme which, in ASX's opinion, is an employee incentive scheme.

The 2017 Employee Incentive Plan is an employee incentive scheme for the purposes of the Listing Rules.

If Resolution 3 is passed, securities issued under the 2017 Employee Incentive Plan during the next 3 years will be excluded in determining the 15% limit under Listing Rule 7.1. This would assist the Company should it require additional fundraising flexibility.

In the absence of Shareholder approval under Listing Rule 7.2, Exception 9(b), grants under the 2017 Employee Incentive Plan can still occur but will be counted as part of the Company's 15% Share issue capacity which would otherwise apply during a 12 month period.

### Information required by Listing Rule 7.2

The following information is provided for the purposes of Listing Rule 7.2 Exception 9(b):

- (a) a summary of the terms of the 2017 Employee Incentive Plan is outlined in Schedule 1 and the Company Secretary will provide Shareholders with a copy of the 2017 Employee Incentive Plan free of charge on request;
- (b) no securities have been issued under the 2017 Employee Incentive Plan; and
- (c) a voting exclusion statement is included in the Notice.

### Board recommendation

The Board recommends that Shareholders vote in favour of Resolution 3.

Resolution 3 is an ordinary resolution.

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



## Resolution 4 – Approval of potential termination benefits under the 2017 Employee Incentive Plan – Ordinary Resolution

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### General

Subject to Shareholder approval of Resolution 3, Shareholder approval is also sought for all purposes including Part 2D.2 of the Corporations Act and Listing Rule 10.19 to approve the giving of benefits under the 2017 Employee Incentive Plan to a person by the Company in connection with that person ceasing to be an officer of, or ceasing to hold a managerial or executive office in, the Company (or subsidiary of the Company) on the terms and conditions in this Explanatory Memorandum.

If Resolution 3 is not approved at the Meeting, Resolution 4 will not be put to the Meeting.

Under the terms of the 2017 Employee Incentive Plan, where a participant ceases employment or office before the vesting of their options or performance rights (together, **Incentives**), the Board possesses the discretion to determine, that some or all of their Incentives will not lapse. The Board's current intention is to only exercise this discretion where the person leaves employment or office without fault on their part.

The exercise of this discretion by the Board may constitute a "benefit" for the purposes of section 200B of the Corporations Act and Listing Rule 10.19. The Company is therefore seeking Shareholder approval for the exercise of the Board's discretion in respect of any current or future participant in the 2017 Employee Incentive Plan who holds:

- (a) a managerial or executive office in, or is an officer of, the Company (or subsidiary of the Company) at the time of their leaving or at any time in the three years prior to their leaving; and
- (b) Incentives under the 2017 Employee Incentive Plan at the time of their leaving.

### Value of the termination benefits

The value of the termination benefits that the Board may give under the 2017 Employee Incentive Plan cannot be determined in advance. This is because various matters will or are likely to affect that value. In particular, the value of a particular benefit will depend on factors such as the Company's Share price at the time of vesting and the number of Incentives that will vest. The following additional factors may also affect the benefit's value:

- (a) the Participant's length of service and the status of the vesting conditions attaching to the relevant Incentives at the time the Participant's employment or office ceases; and
- (b) the number of unvested Incentives that the Participant holds at the time they cease employment or office.

### Corporations Act

Part 2D.2 of the Corporations Act restricts the benefits that can be given to persons who hold a "managerial or executive office" (as defined in the Corporations Act) on leaving their employment with the Company or any of its related bodies corporate, unless an exception applies.

Under section 200B of the Corporations Act, a company may only give a person a benefit in connection with them ceasing to hold a managerial or executive office if the benefit is approved by shareholders or an exemption applies. Provided Shareholder approval is given, the value of the termination benefits may be disregarded when applying section 200F(2)(b) or section 200G(1)(c) of the Corporations Act (i.e. the approved benefit will not count towards the statutory cap under the legislation).

### Listing Rules

Listing Rule 10.19 provides that, without the approval of ordinary shareholders, an entity must ensure that no officer of the entity or any of its child entities will be, or may be, entitled to termination benefits if the value of those benefits and the termination benefits that are or may become payable to all officers together exceed 5% of the equity interests of the entity as set out in the latest accounts given to ASX under the Listing Rules.

The Company's equity interests as set out in its latest accounts given to ASX (being the accounts for the year ended 30 June 2017 was \$7,273,611, 5% of which is \$363,681. Although the Board considers it unlikely that the value of the termination benefits may exceed this 5% threshold, due to the uncertainty regarding the value of the benefits at the time such benefits may crystallise, it is prudent to obtain Shareholder approval for the purposes of Listing Rule 10.19. Accordingly, Shareholder approval is being sought in case the value of the termination benefits exceeds this 5% threshold.

#### Board recommendation

The Board unanimously recommends that Shareholders vote in favour of Resolution 4.

Resolution 4 is an ordinary resolution.

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

### Resolution 5 – Adoption of Remuneration Report – Ordinary Resolution

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Section 250R of the Corporations Act requires that a resolution to adopt the Remuneration Report must be put to the vote at the Annual General Meeting. The vote on this Resolution is advisory only and does not bind the Directors or the Company.

The Remuneration Report is set out in pages 23 to 35 of the Company's 2017 Annual Report, which is available on the Investor Information section of the Company's website at [www.oilex.com.au](http://www.oilex.com.au).

In accordance with section 250SA of the Corporations Act, Shareholders will be provided with a reasonable opportunity to ask questions concerning, or make comments on, the Remuneration Report at the Annual General Meeting.

The Directors will consider the outcome of the vote and comments made by shareholders on the Remuneration Report at the Meeting when reviewing the Company's remuneration policies.

Part 2G.2, Division 9 of the Corporations Act provides Shareholders with the opportunity to remove the whole Board except the Managing Director if the Remuneration Report receives a 'no' vote of 25% or more (**Strike**) at two consecutive annual general meetings.

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

The Company's 2016 Remuneration Report did not receive a Strike at the 2016 Annual General Meeting.

#### Proxy voting restrictions

Shareholders appointing a proxy for this Resolution should note the following:

- If you appoint a member of the Key Management Personnel (other than the Chair) whose remuneration details are included in the Remuneration Report, or a Closely Related Party of such a member as your proxy: **you must direct your proxy how to vote** on this Resolution. Undirected proxies granted to these persons will **not** be voted and will **not** be counted in calculating the required majority if a poll is called on this Resolution.
- If you appoint the Chair as your proxy (where the Chair is also a member of the Key Management Personnel whose remuneration details are included in the Remuneration Report, or a Closely Related Party of such a member): **you do not need to direct your proxy how to vote** on this Resolution. However, if you do **not** direct the Chair how to vote, you **must** mark the acknowledgement on the Proxy Form to expressly authorise the Chair to exercise his or her discretion in exercising your proxy even though this Resolution is connected directly or indirectly with the remuneration of Key Management Personnel.
- If you appoint any other person as your proxy: **you do not need to direct your proxy how to vote** on this Resolution, and you do **not** need to mark any further acknowledgement on the Proxy Form.

The Board unanimously recommends that members vote in favour of Resolution 5.

Resolution 5 is an ordinary resolution.

## Resolutions 6 and 7 – Approval to issue Remuneration Shares to Directors

### Background

With a view to conserving the Company's cash reserves, each of the Company's non-executive Directors (excluding Max Cozijn, who will retire at the conclusion of the Meeting), being Bradley Lingo (Non-Executive Chairman) and Paul Haywood (together, **Non-Executive Directors**) has agreed to have all or part of their Director's fees for the period of 1 November 2017 through to 31 October 2018 paid through the issue of Shares in lieu of cash payments (**Remuneration Shares**) as follows:

Non-Executive Director	Annual Director Fees (excluding superannuation)	% to be issued as Remuneration Shares	Total Director Fees to be issued as Remuneration Shares
Bradley Lingo	\$64,800	100%	\$64,800
Paul Haywood	£30,000	20%	£6,000

The Remuneration Shares are to be issued on a quarterly basis in respect of the Director's fees payable for the preceding quarter. The deemed issue price for any such Remuneration Shares will be the 10-Day VWAP up to but excluding the date of issue of the relevant Remuneration Shares.

As the number of Remuneration Shares is based on the 10-Day VWAP, the maximum number of Remuneration Shares which may be issued is not certain. Accordingly, the following table is provided for illustrative purposes only, based on the the closing Share price on at 24 October 2017 (\$0.004) and a 50% premium (\$0.0045) and 50% discount (\$0.0015) to that price:

Deemed issue price	Maximum number of Remuneration Shares		Total	Dilution to Shareholders <sup>2</sup>
	Bradley Lingo	Paul Haywood <sup>1</sup>		
Closing price: \$0.004	16,200,000	2,541,000	18,741,000	1.092%
50% premium: \$0.0060	10,800,000	1,694,000	12,494,000	0.730%
50% discount: \$0.0020	32,400,000	5,082,000	37,482,000	2.160%

#### Notes:

1. Based on an exchange rate of 1 GBP: 1.6940 AUD.
2. Assuming no other Shares are issued

### Chapter 2E of the Corporations Act

For a public company to give a financial benefit to a related party of the public company, the public company must:

- (a) obtain the approval of the public company's members in the manner set out in sections 217 to 227 of the Corporations Act; and
- (b) give the benefit within 15 months following such approval, unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act.

The issue of the Remuneration Shares constitutes giving a financial benefit as the Non-Executive Directors are related parties of the Company by virtue of being Directors.

The Board has considered the application of Chapter 2E of the Corporations Act and has resolved that the reasonable remuneration exception provided by Section 211 of the Corporations Act is relevant in the circumstances and accordingly,

the Company will not seek approval for the issue of the Remuneration Shares pursuant to Section 208 of the Corporations Act.

#### **Listing Rule 10.11**

Listing Rule 10.11 provides that an entity must not issue or agree to issue Equity Securities to a related party without the prior approval of Shareholders.

Resolutions 6 and 7 therefore seek Shareholder approval, pursuant to Listing Rule 10.11, for the issue of the Remuneration Shares to the Non-Executive Directors.

Approval under Listing Rule 7.1 is not required as Shareholder approval is sought under Listing Rule 10.11.

#### **Specific information required by Listing Rule 10.13**

Pursuant to and in accordance with Listing Rule 10.13 and the waivers granted by ASX in respect of Listing Rules 10.13.3 and 10.13.5, the following information is provided in relation to the approval of the issue of the Remuneration Shares:

- (a) The Remuneration Shares are proposed to be issued to Bradley Lingo and Paul Haywood or their respective nominees.
- (b) As the number of Remuneration Shares which may be issued is based on the 10-Day VWAP, the maximum number of Remuneration Shares which may be issued is not known. The maximum value of the Remuneration Shares to be issued to each of the Non-Executive Directors, based on the 10-Day VWAP, is as follows:
  - (i) Bradley Lingo: \$64,800; and
  - (ii) Paul Haywood: £6,000.

The formula used to calculate the number of Remuneration Shares to be issued to each Non-Executive Director will be calculated each quarter using the following formula:

$$A = B/C$$

Where:

A = the number of Remuneration Shares to be issued to the relevant Non-Executive Director that quarter;

B = the quarterly Director's fees for the relevant Director; and

C = the relevant 10-Day VWAP.

- (c) The Remuneration Shares will be issued within 12 months after the date of this Meeting. The Company has received a waiver from ASX in respect of Listing Rule 10.13.3 accordingly.
- (d) The deemed issue price per Remuneration Share will be equal to the 10-Day VWAP for the relevant quarter. The Company has received a waiver from ASX in respect of Listing Rule 10.13.5 accordingly.
- (e) The Remuneration Shares will be fully paid ordinary shares in the capital of the Company and rank equally in all respects with the Company's existing Shares on issue.
- (f) The Remuneration Shares will be issued for nil cash consideration and therefore no funds will be raised from their issue.
- (g) Voting exclusion statements are included in the Notice.
- (h) The Explanatory Memorandum includes a worked example of the dilution that may occur to existing Shareholders as a result of the issue of the Remuneration Shares at three different prices.

- (i) The Company's annual report for any period during which the Remuneration Shares are issued to Bradley Lingo or Paul Haywood or their respective nominees will disclose details of the number of Remuneration Shares so issued, including the percentage of the Company's issued capital represented by those Remuneration Shares.

**Board recommendation**

Jonathan Salomon, being the only continuing Director without an interest in Resolution 6 and 7, recommends that Shareholders vote in favour of Resolutions 6 and 7.

Resolutions 6 and 7 are ordinary resolutions.

The Chairperson intends to exercise all available proxies in favour of Resolutions 6 and 7.

For personal use only

## Glossary

Words which are defined in the Explanatory Memorandum have the same meaning when used in this Notice of Meeting unless the context requires otherwise. For assistance in considering the Notice of Meeting and Explanatory Memorandum, the following words are defined here:

**10% Placement Capacity** has the meaning given in the Explanatory Memorandum for Resolution 3.

**10-Day VWAP** means the VWAP for Shares calculated over the 10 days on which trades of Shares are recorded on ASX before the relevant date.

**AIM** means the Alternative Investment Market of the London Stock Exchange Plc.

**Annual General Meeting or Meeting** means the annual general meeting of the Company convened under the Notice of Meeting.

**ASX** means ASX Limited ACN 008 624 691 and where the context requires, the financial market operated by ASX Limited trading as the Australian Securities Exchange.

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

**Board** means the board of Directors of the Company.

**Chair** means the person appointed to chair the Meeting of the Company convened by the Notice.

**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 dealing 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** means Oilex Ltd ABN 50 078 652 632.

**Constitution** means the constitution of the Company.

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

**CREST Manual** means the manual relating to CREST issued by Euroclear UK & Ireland Limited.

**CREST** means the computerised settlement system (as defined in the *Uncertificated Securities Regulations 2001*) in the United Kingdom operated by Euroclear UK & Ireland Limited which facilitates the transfer of title to shares in uncertificated form.

**CREST Voting Instruction** means a message which is sent using CREST.

**Depository Interest** means an interest representing a Share, as issued by the UK Depository and which enables the holder to hold and settle transfers of Shares in CREST.

**Director** means a director of the Company from time to time.

**Explanatory Memorandum** means the explanatory memorandum accompanying this Notice of Meeting.

**GMT** means Greenwich Mean Time.

**Incentives** means performance rights or options.

**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.

**Listing Rules** means the listing rules of ASX.

**Managing Director** means the managing director of the Company who may, in accordance with the Listing Rules, continue to hold office indefinitely without being re-elected to the office.

**Notice of Meeting** or **Notice** means this notice of annual general meeting.

**Options** means an unlisted option to acquire a Share.

**Ordinary Resolution** means a resolution passed by more than 50% of the votes cast by members entitled to vote on the resolution.

**Proxy Form** means the proxy form accompanying the Notice of Meeting.

**Remuneration Report** means the remuneration report set out in the Director's Report section of the Company's annual report for the year ended 30 June 2017.

**Resolution** means a resolution set out in the Notice of Meeting.

**Security** means a Share and/or Option.

**Security Holder** means the holder of Securities.

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

**Shareholder** means a holder of a Share.

**Special Resolution** means a resolution passed by more than 75% of the votes cast by members entitled to vote on the resolution.

**UK Depositary** means Computershare Investor Services Plc.

**VWAP** means volume weighted average price.

## Voting by Proxy

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1. A Proxy Form is enclosed with this Notice of Meeting.
2. Each member who is entitled to attend and cast a vote at the Annual General Meeting may appoint a proxy. A proxy need not be a member.
3. A member who is entitled to cast 2 or more votes at the Annual General Meeting may appoint either 1 or 2 proxies. If you wish to appoint 2 proxies you must use a separate proxy form for each proxy and indicate the percentage of your voting rights or the number of shares that each proxy is appointed in respect of on the proxy forms. If you wish to appoint more than 1 proxy you should photocopy the enclosed proxy form or request an additional proxy form to be sent to you. Where a member appoints 2 proxies and does not specify the proportion or number of the member's votes, each proxy may exercise half of the member's rights.
4. An instrument appointing a proxy may not be treated as valid unless the instrument, and the power of attorney or other authority (if any) under which the instrument is signed or proof of the power or authority to the satisfaction of the Directors, is or are:
  - deposited at the Company's share registry, Link Market Services Limited, 1A Homebush Bay Drive, Rhodes, New South Wales, 2138, Australia;
  - sent by facsimile to the Company's share registry at fax number +61 (02) 9287 0309;
  - sent by mail to the Company's share registry at the following address: Oilex Ltd, C/- Link Market Services Limited, Locked Bag A14, Sydney South, New South Wales, 1235, Australia: or
  - lodged online with the Company's share registry by visiting [www.linkmarketservices.com.au](http://www.linkmarketservices.com.au). Select 'Investor Login'. Refer to "Single Holding" and enter Oilex Ltd or the ASX code (OEX) in the Issuer name field, your Security Reference Number (SRN) or Holder Identification Number (HIN) (which is shown on the front of your proxy form), postcode and security code which is shown on the screen and click 'Login'. Select 'Vote' under the 'Action' header and then follow the prompts. You will be taken to have signed your Proxy Form if you lodge it in accordance with the instructions given on the website,

by 9:00am (AWST) on 27 November 2017 (or, in the case of any adjournment of the Annual General Meeting, by no later than 48 hours before the time of the adjourned meeting), at which the person named in the instrument proposes to vote.

5. An instrument appointing a proxy must be in writing under the hand of the appointer or of the appointer's attorney duly authorised in writing or, if the appointer is a body corporate, either under its common seal if it has a common seal, or under the hand of an officer or duly authorised attorney or duly authorised representative.
6. A body corporate which is a Shareholder, or which has been appointed as a proxy, may appoint an individual to act as its representative at the Annual General Meeting. The appointment must comply with section 250D of the Corporations Act. The representative should bring evidence of their appointment to the Annual General Meeting, including authority under which their appointment is signed, unless previously given to the Company.
7. Shareholders and their proxies should be aware that:
  - if proxy holders vote, they must cast all directed proxies as directed; and
  - any directed proxies which are not voted will automatically default to the Chair, who must vote the proxies as directed.
8. **Proxy vote if appointment specifies way to vote**

Section 250BB(1) of the Corporations Act provides that an appointment of a proxy may specify the way the proxy is to vote on a particular resolution and, if it does:

- the proxy need not vote on a show of hands, but if the proxy does so, the proxy must vote that way (i.e. as directed); and



- if the proxy has 2 or more appointments that specify different ways to vote on the resolution, the proxy must not vote on a show of hands; and
- if the proxy is the Chair of the meeting at which the resolution is voted on, the proxy must vote on a poll, and must vote that way (i.e. as directed); and
- if the proxy is not the chair, the proxy need not vote on the poll, but if the proxy does so, the proxy must vote that way (i.e. as directed).

If a proxy is also a Shareholder, section 250BB(1) does not affect the way that the person can cast any votes that hold as a Shareholder.

9. **Transfer of non-chair proxy to Chair in certain circumstances**

Section 250BC of the Corporations Act provides that, if:

- an appointment of a proxy specifies the way the proxy is to vote on a particular resolution at a meeting of the Company's members; and
- the appointed proxy is not the chair of the meeting; and
- at the meeting, a poll is duly demanded on the resolution; and
- either of the following applies:
  - the proxy is not recorded as attending the meeting; or
  - the proxy does not vote on the resolution,

the chair of the meeting is taken, before voting on the resolution closes, to have been appointed as the proxy for the purposes of voting on the resolution at the meeting.

## Annexure A – Summary of the 2017 Employee Incentive Plan

The key features of the 2017 Employee Incentive Plan and the proposed terms of the incentives which may be granted are summarised below.

The 2017 Employee Incentive Plan provides the Board with flexibility to grant incentives as either options or performance rights (together, **Incentives**).

Eligible participants: The following will be eligible to be granted Incentives under the 2017 Employee Incentive Plan:

- (a) full and part time employees of the Company (wherever they reside), including any director of the Company;
- (b) any contractor (whether an individual or a company) who is eligible in accordance with the terms of the 2017 Employee Incentive Plan; and
- (c) any other person has been declared by the Board to be an eligible participant for the purposes of the 2017 Employee Incentive Plan.

Eligible participants may renounce any offer of Incentives under the 2017 Employee Incentive Plan to specified nominees if such renunciation is approved by the Board.

Whilst Directors may be eligible to participate in the Employee Incentive Plan, additional Shareholder approval will be required prior the grant of any incentive to a Director.

Entitlement for performance rights: Subject to the terms of the 2017 Employee Incentive Plan, vesting and the satisfaction of any performance conditions, each performance right entitles the holder to receive one Share.

Exercise price for performance rights: There is no consideration payable upon the grant or exercise of a performance right.

Entitlement for options: Subject to the terms of the 2017 Employee Incentive Plan, vesting and the satisfaction of any performance conditions, each option entitles the holder to acquire (whether by purchase or subscription) and be allotted one Share on the exercise of the option.

Vesting conditions: The Board, at the time of the grant of an Incentive under the 2017 Employee Incentive Plan, will determine what (if any) vesting conditions need to be satisfied before the Incentives may be exercised.

Vesting on change of control: The Board has absolute discretion to determine that all or a portion of Incentives that remain subject to a vesting condition immediately vest and are received or become exercisable by the participant in the event that:

- (a) a takeover bid is made for the Company;
- (b) another corporate transaction is pursued (such as a scheme of arrangement, selective capital reduction etc) which results in the bidder acquiring voting power to more than 50% of the Company; or
- (c) the Board determines, acting in good faith and consistent with its fiduciary duties, that a person has obtained voting power which is sufficient to control the composition of the Board of the Company.

Incentives will lapse on their expiry date.

Exercise into acquirer shares: Subject to the Listing Rules, the 2017 Employee Incentive Plan provides flexibility for the Company to agree with any successful acquirer of the Company to an arrangement whereby Incentives will become exercisable or vest into shares of the successful acquirer or its parent in lieu of Shares. Any such exercise or vesting will be on substantially the same terms and subject to substantially the same conditions as the holder may exercise or vest Incentives to acquire Shares, but with appropriate adjustments to the number and kind of Shares subject to the Incentives, as well as to any exercise price.

Vesting in other circumstances: The Board may permit a participant to exercise Incentives or have such Incentives vested, in other limited situations, such as where a resolution is passed approving the disposal of the Company's main undertaking or on a winding up of the Company.

Expiry date: The Board will set out in an invitation to participate in the 2017 Employee Incentive Plan the date and times when any Incentives lapse.

Impact of cessation of employment: Treatment of Incentives on cessation of employment:

Cause	Incentives which have not vested	Incentives which have vested
Termination for ill health or death	Immediately lapse unless Board determines otherwise	May be exercised (in the case of ill health) by the participant, or (in the case of death) by the participant's personal representative, until the Incentive lapses
Termination for cause (e.g. fraud, dishonesty, material breach of obligations)	Immediately lapse	Right to exercise is immediately suspended for 14 days. During this period, the Board may lift the suspension and allow the Incentives to be exercised for a period ending no later than the date the Incentive lapses.  If the Board does not lift the suspension, the Incentives will immediately lapse at the end of the suspension period
Termination by consent (e.g. resignation)	Immediately lapse unless Board determines otherwise	May be exercised until the Incentive lapses
Redundancy, constructive dismissal, other termination by Company not dealt with above	Immediately lapse unless Board determines otherwise	May be exercised until the Incentive lapses

Transferability: Incentives are only transferable upon a takeover bid where the incentives are transferred to the bidder, upon a scheme of arrangement where the Incentives are transferred to the acquirer, by force of law upon death of the Incentive holder or upon bankruptcy of the Incentive holder, or otherwise with the consent of the Board.

Rights to participate in dividends: Incentives will not entitle the holder to any dividends (or Shares or rights in lieu of dividends) declared or issued by the Company.

Adjustments for rights issues: The exercise price of Incentives (if applicable) will be adjusted in the manner provided by the Listing Rules in the event of the Company conducting a rights issue prior to the exercise and lapse of the relevant Incentive.

Other rights to participate in bonus issues, reorganisations and new issues etc: If the Company completes a bonus issue during the term of an Incentive, the number of Shares the holder is then entitled to will be increased by the number of Shares which the holder would have been issued in respect of Incentives if they were exercised (in the case of options) or are vested and are received (in the case of performance rights) immediately prior to the record date for the bonus issue.

In the event of any reorganisation (including consolidation, subdivision, reduction or return) of the issued capital of the Company, the number of Incentives to which the holder is entitled or the exercise price of the Incentives (if applicable), or both as appropriate, will be adjusted in the manner provided for in the Listing Rules.

Subject to the terms of the 2017 Employee Incentive Plan and as otherwise set out above, during the currency of the Incentives and prior to their exercise (in the case of options) or

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vesting and receipt (in the case of performance rights), the holder is not entitled to participate in any new issue of securities of the Company as a result of their holding the Incentives.

Listing:

The Incentives will not be listed.

Board discretion:


The Board has power to determine the appropriate procedures for administration of the 2017 Employee Incentive Plan in accordance with its terms.

Notwithstanding the Board's current policy, under the terms of the 2017 Employee Incentive Plan, the Board has absolute discretion to determine the exercise price, the expiry date and vesting conditions of any grants made under the 2017 Employee Incentive Plan, without the requirement for further Shareholder approval.

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## LODGE YOUR VOTE

 **ONLINE**  
www.linkmarketservices.com.au

 **BY MAIL**  
Oilex Ltd  
C/- Link Market Services Limited  
Locked Bag A14  
Sydney South NSW 1235 Australia

 **BY FAX**  
+61 2 9287 0309

 **BY HAND**  
Link Market Services Limited  
1A Homebush Bay Drive, Rhodes NSW 2138

 **ALL ENQUIRIES TO**  
Telephone: +61 1300 554 474



X99999999999

## PROXY FORM

I/We being a member(s) of Oilex Ltd and entitled to attend and vote hereby appoint:

### APPOINT A PROXY

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 person or body corporate you are appointing as your proxy

or failing the person or body corporate named, or if no person or body corporate is named, the Chairman of the Meeting, as my/our proxy to act on my/our behalf (including to vote in accordance with the following directions or, if no directions have been given and to the extent permitted by the law, as the proxy sees fit) at the Annual General Meeting of the Company to be held at **9:00 (AWST) on Wednesday, 29 November 2017 at The Celtic Club, 48 Ord Street, West Perth, Western Australia (the Meeting)** and at any postponement or adjournment of the Meeting.

**Important for Resolutions 3, 4, 5, 6, and 7:** If the Chairman of the Meeting is your proxy, either by appointment or by default, and you have not indicated your voting intention below, you expressly authorise the Chairman of the Meeting to exercise the proxy in respect of Resolutions 3, 4, 5, 6 and 7, even though the Resolutions are connected directly or indirectly with the remuneration of a member of the Company's Key Management Personnel (KMP).

**The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business.**


### VOTING DIRECTIONS

Proxies will only be valid and accepted by the Company if they are signed and received no later than 48 hours before the Meeting.

Please read the voting instructions overleaf before marking any boxes with an

#### Resolutions

Resolutions	For	Against	Abstain*	For	Against	Abstain*
1 Election of Mr Paul Haywood as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>			
2 10% capacity to issue shares under Listing Rule 7.1A	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>			
3 Approval of 2017 Employee Incentive Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>			
4 Approval of potential termination benefits under the 2017 Employee Incentive Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>			
				5 Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>
				6 Approval to issue Remuneration Shares to Mr Bradley Lingo	<input type="checkbox"/>	<input type="checkbox"/>
				7 Approval to issue Remuneration Shares to Mr Paul Haywood	<input type="checkbox"/>	<input type="checkbox"/>

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

### SIGNATURE OF SHAREHOLDERS – THIS MUST BE COMPLETED

Shareholder 1 (Individual)

Joint Shareholder 2 (Individual)

Joint Shareholder 3 (Individual)

Sole Director and Sole Company Secretary

Director/Company Secretary (Delete one)

Director

This form should be signed by the shareholder. If a joint holding, either shareholder may sign. If signed by the shareholder's attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the company's constitution and the *Corporations Act 2001* (Cth).

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STEP 1

STEP 2

STEP 3



## HOW TO COMPLETE THIS SHAREHOLDER PROXY FORM

### YOUR NAME AND ADDRESS

This is your name and address as it appears on the Company's share register. If this information is incorrect, please make the correction on the form. Shareholders sponsored by a broker should advise their broker of any changes. **Please note: you cannot change ownership of your shares using this form.**

### APPOINTMENT OF PROXY

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box in Step 1. If you wish to appoint someone other than the Chairman of the Meeting as your proxy, please write the name of that individual or body corporate in Step 1. A proxy need not be a shareholder of the Company.

### DEFAULT TO CHAIRMAN OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chairman of the Meeting, who is required to vote those proxies as directed. Any undirected proxies that default to the Chairman of the Meeting will be voted according to the instructions set out in this Proxy Form, including where the Resolutions are connected directly or indirectly with the remuneration of KMP.

### VOTES ON ITEMS OF BUSINESS – PROXY APPOINTMENT

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

### APPOINTMENT OF A SECOND PROXY

You are entitled to appoint up to two persons as proxies to attend the Meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the Company's share registry or you may copy this form and return them both together.

To appoint a second proxy you must:

- on each of the first Proxy Form and the second Proxy Form state the percentage of your voting rights or 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; and
- return both forms together.

### SIGNING INSTRUCTIONS

You must sign this form as follows in the spaces provided:

**Individual:** where the holding is in one name, the holder must sign.

**Joint Holding:** where the holding is in more than one name, either shareholder may sign.

**Power of Attorney:** to sign under Power of Attorney, you must lodge the Power of Attorney with the registry. If you have not previously lodged this document for notation, 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 indicate the office held by signing in the appropriate place.

### CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting the appropriate "Certificate of Appointment of Corporate Representative" should be produced prior to admission in accordance with the Notice of Meeting. A form of the certificate may be obtained from the Company's share registry or online at [www.linkmarketservices.com.au](http://www.linkmarketservices.com.au).

### LODGEMENT OF A PROXY FORM

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below by **9:00am (AWST) on Monday, 27 November 2017**, being not later than 48 hours before the commencement of the Meeting. Any Proxy Form received after that time will not be valid for the scheduled Meeting.

Proxy Forms may be lodged using the reply paid envelope or:



#### ONLINE

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

Login to the Link website using the holding details as shown on the Proxy Form. Select 'Voting' and follow the prompts to lodge your vote. To use the online lodgement facility, shareholders will need their "Holder Identifier" (Securityholder Reference Number (SRN) or Holder Identification Number (HIN) as shown on the front of the Proxy Form).



#### BY MAIL

Oilex Ltd  
C/- Link Market Services Limited  
Locked Bag A14  
Sydney South NSW 1235  
Australia



#### BY FAX

+61 2 9287 0309



#### BY HAND

delivering it to Link Market Services Limited\*  
1A Homebush Bay Drive  
Rhodes NSW 2138

\* During business hours (Monday to Friday, 9:00am–5:00pm)



### COMMUNICATION PREFERENCE

We encourage you to receive all your shareholder communication via email. This communication method allows us to keep you informed without delay, is environmentally friendly and reduces print and mail costs.



#### ONLINE

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

Login to the Link website using the holding details as shown on the Proxy Form. Select 'Communications' and click the first button to receive all communications electronically and enter your email address. To use the online facility, securityholders will need their "Holder Identifier" (Securityholder Reference Number (SRN) or Holder Identification Number (HIN) as shown on the front of the Proxy Form).

**IF YOU WOULD LIKE TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING, PLEASE BRING THIS FORM WITH YOU.  
THIS WILL ASSIST IN REGISTERING YOUR ATTENDANCE.**