

## ASX Announcement

24 October 2016

ASX: OEX  
AIM: OEX

### Notice of Annual General Meeting

Oilex advises that its Annual General Meeting, which will be held at The Park Business Centre, 45 Ventnor Avenue, West Perth, Western Australia on Wednesday 23 November 2016 at 10.00am.

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 2016 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, 23 November 2016

at 10:00am (AWST)

at

The Park Business Centre  
45 Ventnor Avenue, 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 Park Business Centre, 45 Ventnor Avenue, West Perth, Western Australia on Wednesday, **23 November 2016** at 10:00am (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, 21 November 2016. 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 CREST Form of Instruction to the Company's agent using the enclosed reply paid envelope,

by **10:00am GMT on 18 November 2016**. 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 10:00am GMT on 18 November 2016. 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 2016.

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 Bradley Lingo as a Director

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

*"That, for the purposes of section 8.2 of the Constitution and for all other purposes, Mr Bradley Lingo, a Director who was appointed on 11 February 2016, retires, and being eligible, is elected as a Director."*

### Resolution 2 – Replacement of the Constitution

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

*"That, for the purposes of section 136(2) of the Corporations Act and for all other purposes, the Company's existing Constitution is repealed and a new constitution is adopted in its place in the form as signed by the Chair of the Meeting for identification purposes."*

### Resolution 3 – Approval of Managing Director Special Funding and Retention Awards

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

*"That, for the purposes of Listing Rule 10.11 and for all other purposes, Shareholders approve the issue of:*

- (a) A\$100,000 worth of Shares; and*
- (b) 2,000,000 retention rights to Shares,*

*to Managing Director Mr Jonathon Salomon on the terms and conditions set out in the Explanatory Memorandum."*

### Resolution 4 – 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."*

## 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 2016.”*

**Voting prohibition statement:** A vote on this Resolution must not be cast (in any capacity) by or on behalf of either of the following persons:

- (a) a member of the Key Management Personnel, details of whose remuneration are included in the Remuneration Report; or
- (b) a Closely Related Party of such a member.

However, a person (**voter**) described above may cast a vote on this Resolution as a proxy if the vote is not cast on behalf of a person described above and either:

- (c) the voter is appointed as a proxy by writing that specifies the way the proxy is to vote on this Resolution; or
- (d) the voter is the Chair and the appointment of the Chair as proxy:
  - (i) does not specify the way the proxy is to vote on this Resolution; and
  - (ii) expressly authorises the Chair to exercise the proxy even though this Resolution is connected, directly or indirectly, with the remuneration of a member of the Key Management Personnel.

**Note:** The vote on Resolution 5 will be advisory only and will not bind the Directors or the Company. 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.

## Resolution 6 – Spill Resolution

Should there be 25% or more votes cast against Resolution 5, to consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

*“That, for the purposes of section 250V(1) of the Corporations Act and for all other purposes, approval is given for:*

- (a) *the Company to hold another meeting of Shareholders within 90 days of the date of this Meeting (**Spill Meeting**); and*
- (b) *all Vacating Directors to cease to hold office immediately before the end of the Spill Meeting; and*
- (c) *resolutions to appoint persons to offices that will be vacated pursuant to (b) to be put to vote at the Spill Meeting.”*

If less than 25% of the votes cast on Resolution 5 are voted against adoption of the Remuneration Report, the Chair will withdraw Resolution 6.

**Voting Prohibition Statement:** A vote on this Resolution must not be cast (in any capacity) by or on behalf of either of the following persons:

- (a) a member of the Key Management Personnel, details of whose remuneration are included in the Remuneration Report; or
- (b) a Closely Related Party of such a member.

However, a person (**voter**) described above may cast a vote on this Resolution as a proxy if the vote is not cast on behalf of a person described above and either:

- (a) the voter is appointed as a proxy by writing that specifies the way the proxy is to vote on this Resolution; or
- (b) the voter is the Chair and the appointment of the Chair as proxy:
  - (i) does not specify the way the proxy is to vote on this Resolution; and

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

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By order of the Board



**Mark Bolton**  
Company Secretary

19 October 2016

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## 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 2016 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 Bradley Lingo as a Director – Ordinary Resolution

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Clause 8.1 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. Any Director so appointed holds office only until the next following Annual General Meeting and is then eligible for re-election.

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

Full name: Bradley Lingo

Qualifications: Bachelor of Arts with Honours, Juris Doctorate, MAICD

Mr Lingo has more than 30 years of experience in a diverse range of oil and gas leadership roles, including business development, new ventures, mergers and acquisitions and corporate finance. Mr Lingo has worked with Tenneco Energy

and El Paso Corporation in the US and Australia, the Commonwealth Bank of Australia and Drillsearch Energy Limited. He is currently the Managing Director and CEO of Elk Petroleum Limited.

Mr Lingo joined the Oilex Board as Non-Executive Director in February 2016.

**The Board, excluding Mr Lingo, recommends that members vote in favour of Mr Lingo's election as a Director.**

## **Resolution 2 – Replacement of the Constitution – Special Resolution**

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A company may modify or repeal its constitution or a provision of its constitution by special resolution of Shareholders.

Resolution 2 is a special resolution which will enable the Company to repeal its existing Constitution and adopt a new constitution (**Proposed Constitution**) which is of the type required for a listed public company limited by shares updated to ensure it reflects the current provisions of the Corporations Act and Listing Rules. 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.

This will incorporate amendments to the Corporations Act and Listing Rules since the current Constitution was adopted on 28 July 2006.

The Directors believe that it is preferable in the circumstances to replace the existing Constitution with the Proposed Constitution rather than to amend a multitude of specific provisions.

The Proposed Constitution is broadly consistent with the provisions of the existing Constitution. It is not practicable to list all of the changes to the Constitution in detail in this Explanatory Memorandum, many of which are administrative or minor in nature including but not limited to:

- updating references to bodies or legislation which have been renamed (e.g. references to the Australian Settlement and Transfer Corporation Pty Ltd, ASTC Settlement Rules and ASTC Transfer); and
- expressly providing for statutory rights by mirroring these rights in provisions of the Proposed Constitution.

A summary of the proposed key material changes is set out below. This summary is not intended to be an exhaustive explanation of all of the changes effected by the adoption of the Proposed Constitution.

### **Summary of proposed key material changes**

- **Article 3.1 of the Proposed Constitution (number of Directors):** The requirement for there to be no more than 9 Directors has been removed from the Proposed Constitution. The Proposed Constitution does not specify the maximum number of Directors.
- **Article 11 of the Proposed Constitution (rights and powers of alternate director):** Article 6.4(h) of the Proposed Constitution provides that subject to Article 6.5(g) of the Proposed Constitution (which provides for reimbursement of certain reasonable expenses), the Company is not required to pay any remuneration to an Alternate Director. This was not specifically dealt with in the Constitution.
- **Article 31 of the Proposed Constitution (vacation of office of Director):** Article 31(3) of the Constitution provides that the office of a Director become vacant if the Director is not present (either personally or by alternate director) at 3 consecutive meetings of Directors without special leave of absence from the Directors and the Directors declare his or her seat vacant. Article 6.3(k) of the Proposed Construction removes this requirement and provides that a Director ceases to be a Director if the Director is absent without the consent of all of the Directors from all meetings of the Directors held during a period of 6 months.
- **Article 38 of the Proposed Constitution (payment of remuneration):** Article 6.5(h) of the Proposed Constitution provides that a Director may participate in any fund, trust or scheme for the benefit of past or present employees or Directors of the Company or a related body corporate of the Company or the dependants of, or persons connected with any of those persons. This was not specifically dealt with in the Constitution. Article 6.5(i) of the Proposed Constitution also provides that the Company may give, or agree to give, a person a benefit in connection with that

person's, or someone else's, retirement from a board or managerial office in the Company or a related body corporate of the Company, subject to the Corporations Act. This was not specifically dealt with in the Constitution.

- **Article 81 of the Proposed Constitution (quorum):** Article 81.1 of the Constitution currently provides that the quorum for a meeting of Company members is 3 members. Article 5.6(a) of the Proposed Constitution provides that the quorum for a meeting of Company members is 2 eligible members.
- **Article 96 of the Proposed Constitution (objections to right to vote):** Article 5.13(a)(i) of the Proposed Constitution provides that an objection to a qualification of any person to vote at a meeting of members may only be made before that meeting. Article 5.13(b) of the Proposed Constitution provides that any objection must be decided by the Directors or the chairperson of the meeting of member (as the case may be), whose decision is final and conclusive.
- **Article 122 of the Proposed Constitution (dividends and reserves):** New rules for the payment of dividends have been inserted into the Proposed Constitution to address amendments to the Corporations Act which became effective in 2010. The Directors consider it appropriate to update the Constitution for these amendments to allow more flexibility in the payment of dividends in the future should the Company be in a position to pay dividends. There is now a three-tiered test that the Company will need to satisfy before paying a dividend, replacing the previous test that dividends may only be paid out of profits. The amended requirements provide that the Company must not pay a dividend unless:
  - the Company's assets exceed its liabilities immediately before the dividend is declared and the excess is sufficient for the payment of the dividend;
  - the payment of the dividend is fair and reasonable to Shareholders as a whole; and
  - the payment of the dividend does not materially prejudice the Company's ability to pay its creditors.
- **Article 13 of the Proposed Constitution (United Kingdom Financial Conduct Authority's Disclosure and Transparency Rules):** The Proposed Constitution contains new Article 13 which provides that for so long as the Company's Shares are admitted to trading on AIM, the provisions of the United Kingdom Financial Conduct Authority's Disclosure and Transparency Rules Sourcebook governing the disclosure of interests in shares in the United Kingdom by issuers who have their registered office in the United Kingdom shall be deemed to be incorporated into the Proposed Constitution and shall bind the Company and the members.
- **Article 162 of the Constitution (partial takeovers):** Pursuant to section 648G of the Corporations Act, the Proposed Constitution contains a provision whereby a proportional takeover bid for Shares may only proceed after the bid has been approved by a meeting of Shareholders held in accordance with the terms set out in the Corporations Act. A proportional takeover bid is a takeover bid where the offer made to each shareholder is only for a proportion of that shareholder's shares. Whilst an equivalent clause is included in the current Constitution, the clause ceases to have effect on the third anniversary of the date of the adoption of last renewal of the clause. It is therefore reinserted into the Proposed Constitution for a further period of 3 years.

**Information required by section 648G of the Corporations Act:**

- ***Effect of proposed proportional takeover provisions:*** Where offers have been made under a proportional off-market bid in respect of a class of securities in a company, the registration of a transfer giving effect to a contract resulting from the acceptance of an offer made under such a proportional off-market bid is prohibited unless and until a resolution to approve the proportional off-market bid is passed by its members.
- ***Reasons for proportional takeover provisions:*** A proportional takeover bid may result in control of the Company changing without Shareholders having the opportunity to dispose of all their Shares. By making a partial bid, a bidder can obtain practical control of the Company by acquiring less than a majority interest. Shareholders are exposed to the risk of being left as a minority in the Company and the risk of the bidder being able to acquire control of the Company without payment of an adequate control premium. These amended provisions allow Shareholders to decide whether a proportional takeover bid is acceptable in principle, and assist in ensuring that any partial bid is appropriately priced.

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- **Knowledge of any acquisition proposals:** As at the date of this Notice of Meeting, no Director is aware of any proposal by any person to acquire, or to increase the extent of, a substantial interest in the Company.
  - **Potential advantages and disadvantages of proportional takeover provisions:** The Directors consider that the proportional takeover provisions have no potential advantages or disadvantages for them and that they remain free to make a recommendation on whether an offer under a proportional takeover bid should be accepted.

The potential advantages of the proportional takeover provisions for Shareholders include:

- the right to decide by majority vote whether an offer under a proportional takeover bid should proceed;
- assisting in preventing Shareholders from being locked in as a minority;
- increasing the bargaining power of Shareholders, which may assist in ensuring that any proportional takeover bid is adequately priced; and
- each individual Shareholder may better assess the likely outcome of the proportional takeover bid by knowing the view of the majority of Shareholders which may assist in deciding whether to accept or reject an offer under the takeover bid.

The potential disadvantages of the proportional takeover provisions for Shareholders include:

- proportional takeover bids may be discouraged;
- lost opportunity to sell a portion of their Shares at a premium; and
- the likelihood of a proportional takeover bid succeeding may be reduced.

The Proposed Constitution is available for review by Shareholders at the Company's website [www.oilex.com.au](http://www.oilex.com.au) and at the Company's registered office located at Ground Floor, 44a Kings Park Road, West Perth, Western Australia, 6005.

A copy of the Proposed Constitution can also be sent to Shareholders upon request to the Company Secretary by calling +61 8 9485 3200.

Shareholders are invited to contact the Company if they have any queries or concerns.

**The Directors unanimously recommend that Shareholders vote in favour of Resolution 2.**

### **Resolution 3 – Approval of Managing Director Special Funding and Retention Awards – Ordinary Resolution**

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#### **General**

On 30 November 2015, the Company announced the appointment of Mr Jonathon Salomon as an independent non-executive Director of the Company and on 18 March 2016, Mr Salomon was appointed Managing Director for a term of 1 year. The terms and conditions of the executive employment agreement include the grant, subject to Shareholder approval, of the following special funding and retention awards:

- (a) A\$100,000 worth of Shares upon resolution of the Company's litigation issues involving Zeta Resources Limited (**Award Shares**); and
- (b) 2,000,000 retention rights to Shares at no cost if he enters a subsequent term of employment as Managing Director prior to 18 March 2017 (**Retention Rights**),

(together, **Awards**).

On 8 June 2016, the Company announced all litigation issues had been resolved and Mr Salomon became entitled to receive the Award Shares. The pricing of the Award Shares will be based on the 20 day VWAP of Shares on the ASX in the 20 trading days preceding the Annual General Meeting. If shareholder approval is not granted in respect of the issue of Award Shares, then Mr Salomon will be entitled to receive that Award in cash.

The Board, other than Mr Salomon, has elected to issue the Awards to Mr Salomon as a key component of his remuneration in order to retain his services and to provide incentive linked to the performance of the Company.

#### **Listing Rule 10.11**

In accordance with Listing Rule 10.11, the Company must not issue equity securities to a related party of the Company unless it obtains Shareholder approval.

Mr Salomon is a related party of the Company by virtue of his position as a Director.

The effect of passing Resolution 3 will be to allow the Company to issue the Awards to Mr Salomon in accordance with Listing Rule 10.11.

As Shareholder approval is sought under Listing Rule 10.11, approval under Listing Rule 7.1 is not required.

#### **Chapter 2E of the Corporations Act**

Chapter 2E of the Corporations Act requires that for a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity 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 Awards to Mr Salomon constitutes giving a financial benefit to a related party by virtue of Mr Salomon's position as a Director.

The Board (other than Mr Salomon who has a material personal interest in Resolution 3) has considered the application of Chapter 2E of the Corporations Act and has resolved that the exception provided by Section 211 of the Corporations Act is relevant in the circumstances. The agreement to grant the Awards, reached as part of Mr Salomon's executive services agreement, is considered reasonable remuneration in the circumstances and accordingly, the Company will not seek approval for the issue of the Awards pursuant to Section 208 of the Corporations Act.

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

Pursuant to and in accordance with Listing Rule 10.13, the following information is provided in relation to the issue of the Awards:

- (a) the following Awards will be issued to Mr Salomon;
  - (i) A\$100,000 worth of Shares based on the 20 day VWAP of Shares on the ASX in the 20 trading days preceding the Annual General Meeting; and
  - (ii) 2,000,000 Retention Rights.
- (b) the Awards will be issued no later than 1 month after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules);
- (c) the Awards will have an issue price of nil as they are being issued as part of Mr Salomon's remuneration package;

- (d) the Award Shares will be fully paid ordinary shares in the capital of the Company and will rank equally in all respects with the Company's existing Shares on issue;
- (e) the Retention Rights will, subject to Mr Salomon entering into a subsequent term of employment as Managing Director by 18 March 2017, be convertible to Shares at no cost and will otherwise be issued on the terms and conditions in Schedule 1;
- (f) no funds will be raised by the issue of the Awards; and
- (g) a voting exclusion statement is included in the Notice.

The Company has applied to the ASX for a waiver of Listing Rule 10.13.5 in relation to the issue price of the Shares proposed to be issued. The Company will advise the market when the ASX provides the decision in relation to the requested waiver.

**Refer to Schedule 1 for Terms and Conditions of Retention Rights**

**The Directors, other than Mr Salomon, unanimously recommend that Shareholders vote in favour of Resolution 3.**

## **Resolution 4 – Approval of 10% Additional Placement Capacity – 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 4, 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 4 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 4 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 4 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 \$9.4 million.

Any Equity Securities issued must be in the same class as an existing class of quoted Equity Securities. The Company currently has 1 class of 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 4:

##### **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 4 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)             | \$0.048<br>50% decrease in<br>Issue Price | [\$0.008]<br>Issue Price | \$0.144<br>50% increase in Issue<br>Price |
| 1,180,426,999<br>(Current Variable A)                             | Shares issued - 10% voting dilution | 118,042,700 Shares                        | 118,042,700 Shares       | 118,042,700 Shares                        |
|                                                                   | Funds raised                        | \$472,171                                 | \$944,342                | \$1,416,512                               |
| 1,770,640,499<br>(50% increase in Variable A)                     | Shares issued - 10% voting dilution | 177,064,050 Shares                        | 177,064,050 Shares       | 177,064,050 Shares                        |
|                                                                   | Funds raised                        | \$708,256                                 | \$1,416,512              | \$2,124,769                               |
| 2,360,853,998<br>(100% increase in Variable A)                    | Shares issued - 10% voting dilution | 236,085,400 Shares                        | 236,085,400 Shares       | 236,085,400 Shares                        |
|                                                                   | Funds raised                        | \$944,342                                 | \$1,888,683              | \$2,833,025                               |

\*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 1,180,426,999 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 18/10/16.
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 and the Wallal Graben in the Canning Basin of Western Australia; 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 did not previously obtain approval under Listing Rule 7.1A at the Company's 2015 Annual General Meeting in 2015. No Equity Securities have been issued in the previous 12 months preceding the date of the Meeting.

#### **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 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 25 to 39 of the Company's Annual Report 2016, 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 Remuneration Report received a first Strike at the 2015 Annual General Meeting. If the Remuneration Report receives a second Strike at this Meeting (2016 Annual General Meeting), Shareholders should be aware that this may result in the re-election of the Board pursuant to a spill resolution (refer to Resolution 6).

#### **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 6 – Spill Resolution – Ordinary Resolution**

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**If less than 25% of the votes cast on Resolution 5 are voted against adoption of the Remuneration Report, the Chair will withdraw Resolution 6.**

#### **General**

The Corporations Act requirements for this Resolution to be put to vote are set out in Resolution 5.

The effect of this Resolution being passed is the Company will be required to hold another meeting of Shareholders within 90 days of the date of this Meeting (**Spill Meeting**) and the Vacating Directors will cease to hold office immediately before the end of the Spill Meeting. The business of the Spill Meeting will be to put to vote resolutions to appoint persons to offices vacated by the Vacating Directors (which excludes the Managing Director).

In the event a Spill Meeting is required a separate Notice of Meeting will be distributed to Shareholders with details about those persons that will seek election as directors of the Company at the Spill Meeting.

#### **Proxy voting restrictions**

Shareholders appointing a proxy for this Resolution should note the voting restrictions set out in Resolution 5 apply in the same manner to this Resolution.

## 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 4.

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

**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.

**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.

**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 2016.

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

**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.

**Vacating Directors** means the Directors who were directors of the Company when the resolution to make the Directors' report considered at the last annual general meeting of the Company was passed, other than the managing director of the Company at that time.

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

## 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 & Employee 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 10:00am (WST) on 21 November 2016 (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.


## Schedule 1 – Terms and Conditions of Retention Rights


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1. **Milestone:** The Retention Rights will have the following milestone attached to them: Mr Salomon entering into a subsequent term of employment as Managing Director of the Company prior to 18 March 2017.
2. **Vesting:** The Retention Rights will vest on the date the Milestone has been satisfied.
3. **Consideration:** The Retention Rights will be issued for no consideration.
4. **Conversion:** Upon vesting, each Retention Right will, at the election of the holder, convert into one fully paid ordinary share in the Company (**Share**).
5. **Lapse:** Any Retention Right that has not vested by 18 March 2017 will automatically lapse.
6. **Share ranking:** All Shares issued upon the vesting of Retention Rights will upon issue rank pari passu in all respects with other Shares.
7. **Listing of Shares on ASX:** The Company will not apply for quotation of the Retention Rights on ASX. However, the Company will apply for quotation of all Shares issued pursuant to the vesting of Retention Rights on ASX within the period required by ASX.
8. **Transfer of Retention Rights:** The Retention Rights are not transferable.
9. **Participation in entitlements and bonus issues:** Subject always to the rights under items 10 and 11, holders of Retention Rights will not be entitled to participate in new issues of capital offered to holders of Shares such as bonus issues and entitlement issues.
10. **Adjustment for bonus issue:** If securities are issued pro-rata to shareholders generally by way of bonus issue (other than an issue in lieu of dividends by way of dividend reinvestment), the number of Retention Rights to which each holder is entitled will be increased by that number of securities which the holder would have been entitled if the Retention Rights held by the holder were vested immediately prior to the record date of the bonus issue, and in any event in a manner consistent with the Corporations Act and the Listing Rules at the time of the bonus issue.
11. **Reorganisation of capital:** In the event that the issued capital of the Company is reconstructed, all rights of a holder will be changed to the extent necessary to comply with the Listing Rules at the time of reorganisation provided that, subject to compliance with the Listing Rules, following such reorganisation the economic and other rights of the holder are not diminished or terminated.
12. **Dividend and voting rights:** The Retention Rights do not confer on the holder an entitlement to vote or receive dividends.


## 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

## 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 **10:00am (AWST) on Wednesday, 23 November 2016 at The Park Business Centre, 45 Ventnor Avenue, West Perth, Western Australia (the Meeting)** and at any postponement or adjournment of the Meeting.

**Important for Resolutions 3, 5 and 6:** 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, 5 and 6, 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 except Resolution 6 where undirected proxies will be voted against the resolution (if it is put)**


### 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 Bradley Lingo as a Director                         | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | 5 Adoption of Remuneration Report | <input type="checkbox"/> | <input type="checkbox"/> |
| 2 Replacement of the Constitution                                    | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | 6 Spill Resolution                | <input type="checkbox"/> | <input type="checkbox"/> |
| 3 Approval of Managing Director Special Funding and Retention Awards | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |                                   |                          |                          |
| 4 10% capacity to issue shares under Listing Rule 7.1A               | <input type="checkbox"/> | <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).



For personal use only

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:

- (a) 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
- (b) 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 **10:00am (AWST) on Monday, 21 November 2016**, 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

Oillex 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)

**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.**