
CENTRAL PETROLEUM LIMITED

ACN 083 254 308

NOTICE OF ANNUAL GENERAL MEETING

TIME: 11am (Brisbane time)

DATE: Monday, 2 November 2015

PLACE: South Stradbroke Room
Level 5
Hotel Jen Brisbane
159 Roma Street
Brisbane 4000
Queensland, Australia

This Notice of Meeting should be read in its entirety including (without limitation) the General Disclaimer. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.

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

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IMPORTANT INFORMATION

Time and place of Meeting

Notice is given that the Meeting will be held at 11am (Brisbane time) on Monday, 2 November 2015 at:

South Stradbroke Room
Level 5
Hotel Jen Brisbane
159 Roma Street
Brisbane 4000
Queensland, Australia

Your vote is important

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

Voting eligibility

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered Shareholders at 7.00pm (Sydney time) on Thursday, 29 October 2015.

Voting in person

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

Voting by proxy

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

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

- each Shareholder has a right to appoint a proxy;
- the proxy need not be a Shareholder of the Company; and
- a Shareholder who is entitled to cast 2 or more votes may appoint 2 proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the member appoints 2 proxies and the appointment does not specify the proportion or number of the member's votes each proxy may

exercise, then in accordance with section 249X(3) of the Corporations Act, each proxy may exercise one-half of the votes.

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

Voting exclusions

The Corporations Act and the ASX Listing Rules require that certain persons must not vote, and the Company must disregard any votes cast by or on behalf of certain persons on some of the resolutions to be considered at the Meeting. Details of the applicable voting exclusions for a proposed Resolution are set out immediately after that Resolution in the section of this Notice entitled 'Business of the Meeting'.

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

Undirected proxies

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

Voting by corporate representative

A Shareholder or proxy which is a corporation and entitled to attend and vote at the Meeting may appoint an individual to act as its corporate representative to vote at the Meeting. The appointment must comply with section 250D of the Corporations Act. The representative should bring to the Meeting evidence of his or her appointment unless it has previously been provided to the Company's share registry.

Voting by attorney

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

The power of attorney appointing the attorney must be signed and specify the name of each of the Shareholder, the Company and the attorney, and also specify the meeting(s) at which the appointment may be used. The appointment may be a standing one.

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

BUSINESS OF THE MEETING

AGENDA

FINANCIAL STATEMENTS AND REPORTS

To receive and consider the Annual Financial Report of the Company for the Financial Year ended 30 June 2015 together with the Director's Report and the Auditor's Report.

1. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

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

"That, for the purposes of section 250R(2) of the Corporations Act and for all other purposes, approval is given for the adoption of the Remuneration Report as contained in the Company's annual financial report for the financial year ended 30 June 2015."

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

Voting Exclusion: 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 (the **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.

2. RESOLUTION 2 – RE-ELECTION OF DIRECTOR – JOHN THOMAS WILSON

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

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

3. RESOLUTION 3 – RATIFICATION OF PRIOR ISSUE – OPTIONS – MACQUARIE BANK LIMITED

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

"That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 30,000,000 Options on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion: The Company will disregard any votes cast on this Resolution by a person who participated in the issue of the Options the subject of this Resolution and any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions in the proxy appointment, or, it is cast by the Chair as proxy for a person who is entitled to vote, in accordance with a direction in the proxy appointment to vote as the proxy decides.

4. RESOLUTION 4 – APPROVAL OF FUTURE ISSUES UNDER EMPLOYEE RIGHTS PLAN

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

"That, for the purposes of ASX Listing Rule 7.1, and in accordance with ASX Listing Rule 7.2 (Exception 9), and for all other purposes, the issue of securities under the Company's Employee Rights Plan on the terms and conditions set out in the Explanatory Statement is approved."

Voting Exclusion: The following persons may not vote, and the Company will disregard any votes cast by the following persons, on this Resolution:

- (a) Mr Richard Ian Cottee (being the only director of the Company eligible to participate in the Employee Rights Plan) and any of his associates; and
- (b) any member of the Key Management Personnel and any Closely Related Party of such a member, to the extent in either case that they are acting as a proxy.

However, a person (the **voter**) described above may cast a vote on this Resolution as a proxy, and the Company need not disregard a vote if it is cast by the voter 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,

and, where the Chair is a Director who is eligible to participate in the Employee Rights Plan, the Chair casts the vote in accordance with a direction in the proxy appointment to vote as the proxy decides.

5. RESOLUTION 5 – APPROVAL OF ISSUE UNDER EMPLOYEE RIGHTS PLAN TO RICHARD IAN COTTEE

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

"That:

- (a) for the purposes of ASX Listing Rule 10.14 and for all other purposes, the issue of up to 5,932,650 Share Rights to Richard Ian Cottee (or subject to the approval of Resolution 4, his nominee); and
- (b) for the purpose of Part 2D.2 of the Corporations Act, the giving of a benefit to Richard Ian Cottee in connection with any early vesting of those Share Rights on his retirement from a managerial or executive office (within the meaning of section 200AA of the Corporations Act) in the Company or a related body corporate of the Company,

in each case under the Company's Employee Rights Plan, and on the terms described in the Explanatory Statement, is approved."

Voting Exclusion: The following persons may not vote, and the Company will disregard any votes cast by the following persons, on this Resolution:

- (a) Mr Richard Ian Cottee and any of his associates; and
- (b) any member of the Key Management Personnel and any Closely Related Party of such a member, to the extent in either case that they are acting as a proxy.

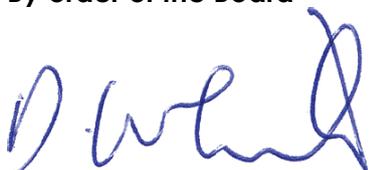
However, a person (the **voter**) described above may cast a vote on this Resolution as a proxy, and the Company need not disregard a vote if it is cast by the voter on this Resolution as a proxy, if the vote is not cast on behalf of a person described above and either:

- (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 (but is not Mr Richard Ian Cottee or any of his associates) 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,

and, where the Chair is a Director who is eligible to participate in the Employee Rights Plan, the Chair casts the vote in accordance with a direction in the proxy appointment to vote as the proxy decides.

Dated: 29 September 2015

By order of the Board



**DANIEL WHITE
COMPANY SECRETARY**

EXPLANATORY STATEMENT

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

FINANCIAL STATEMENTS AND REPORTS

In accordance with section 317 of the Corporations Act, the business of the Meeting will include receipt and consideration of the Annual Financial Report of the Company for the Financial Year ended 30 June 2015 together with the Directors' Report and the Auditor's Report.

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

1. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

1.1 General

The Corporations Act requires that at a listed company's annual general meeting, a resolution that the remuneration report be adopted must be put to the shareholders. However, such a resolution is advisory only and does not bind the company or the directors of the company.

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

The chair of the meeting must allow a reasonable opportunity for its shareholders to ask questions about or make comments on the remuneration report at the annual general meeting.

1.2 Directors' recommendation

Noting that each Director has a personal interest in their own remuneration from the Company (as described in the Remuneration Report) and that each Director (or any Closely Related Party of a Director) is excluded from voting their shares on the Resolution (as described in the 'Voting Exclusion' paragraph set out immediately after this Resolution in the section of this Notice entitled 'Business of the Meeting'), **ALL** Directors recommend that Shareholders **VOTE IN FAVOUR** of Resolution 1.

2. RESOLUTION 2 – RE-ELECTION OF DIRECTOR – JOHN THOMAS WILSON

2.1 General

The ASX Listing Rules require the Company to hold an election of Directors each year.

Clause 13.2 of the Constitution also provides that:

- (a) at the Company's annual general meeting in every year, one-third of the Directors for the time being, or, if their number is not a multiple of 3, then the number nearest one-third (rounded upwards in case of doubt),

shall retire from office, provided always that no Director (except a Managing Director) shall hold office for a period in excess of 3 years, or until the third annual general meeting following his or her appointment, whichever is the longer, without submitting himself or herself for re-election;

- (b) The Directors to retire at an annual general meeting are those who have been longest in office since their last election, but, as between persons who became Directors on the same day, those to retire shall (unless they otherwise agree among themselves) be determined by drawing lots;
- (c) A Director who retires by rotation under clause 13.2 of the Constitution is eligible for re-election; and
- (d) In determining the number of Directors to retire, no account is to be taken of:
 - (i) a Director who only holds office until the next annual general meeting pursuant to clause 13.4 of the Constitution; and/or
 - (ii) a Managing Director,

each of whom are exempt from retirement by rotation. However, if more than one Managing Director has been appointed by the Directors, only one of them (nominated by the Directors) is entitled to be excluded from any determination of the number of Directors to retire and/or retirement by rotation.

Mr Andrew Whittle is not standing for Board re-election and Mr John Thomas Wilson is proposed for re-election in accordance with the Constitution and the ASX Listing Rules.

2.2 Background on John Thomas Wilson

Mr. Wilson is a veteran in the energy sector, with a strong background in geology and international business development. Mr. Wilson began his career as a geologist with Shell Oil Company before joining Apache Corporation, where he held various management positions and led Apache's entry into international markets. Subsequent to Apache, Mr. Wilson served as president of Anderman International, which, during his tenure, developed the Chernogskoye field in western Siberia. This property became the core asset of Khantiy Mantsisk Oil Corporation ("KMOC"), for which Mr. Wilson served as the first president. KMOC was later sold to Marathon Oil Corporation and then on-sold to Lukoil. With his extensive experience in Russian oil and gas, Mr. Wilson joined the management team of Yamal Energy Partners, which developed South Tambey Field, possibly the first Russian-led LNG project in the Russian Republic, which was later sold to Gazprom. He also served on the management committee of Young Energy Prize in Luxembourg.

Mr. Wilson joined the Magellan Board of Directors in 2009, prior to becoming the Company's CEO in 2011.

Mr. Wilson holds a BS in Zoology and Geology from Northern Arizona University and a MS in Geology from the University of Southern California.

2.3 Directors' recommendation

ALL Directors recommend that Shareholders **VOTE IN FAVOUR** of Resolution 2.

3. RESOLUTION 3 – RATIFICATION OF PRIOR ISSUE – OPTIONS – MACQUARIE BANK LIMITED

3.1 General

On 4 June 2015, the Company announced it had entered into an agreement for the purchase of 50% of the Mereenie Oil and Gas Field from Santos Limited. Under the agreement, the Company will pay \$45 million in cash to Santos Limited, structured as \$35 million on financial closure of the transaction (which occurred on 1 September 2015) and the balance of \$10 million to be paid in June 2016. In addition, the Company has granted Santos Limited certain free-carry rights as well as a conditional bonus payment of \$15 million. The financing for this transaction is through a loan facility with Macquarie Bank (**Macquarie Loan Facility**). The loaned funds are serviced by production revenue from Company assets, including the acquired asset. The Macquarie Loan Facility required the Company to grant 30 million unlisted Options to Macquarie Bank (**Macquarie Options**). The Macquarie Options were issued on 1 September 2015. The Macquarie Options have an exercise price of \$0.20 with an expiry date of 1 September 2019.

Resolution 3 seeks Shareholder ratification, pursuant to ASX Listing Rule 7.4 and for all other purposes, for the issue of the Macquarie Options (**Ratification**).

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more equity securities during any 12 month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period.

ASX Listing Rule 7.4 sets out an exception to ASX Listing Rule 7.1. It provides that where a company's shareholders subsequently approve (ratify) a previous issue of securities made without approval under ASX Listing Rule 7.1 (and provided that the previous issue did not breach ASX Listing Rule 7.1) those securities will be treated as having been made with shareholder approval for the purpose of ASX Listing Rule 7.1.

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

3.2 Technical information required by ASX Listing Rule 7.4

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to Resolution 3:

- (a) 30,000,000 Macquarie Options have been issued and allotted;
- (b) the Macquarie Options were issued for nil cash consideration as part consideration for the Macquarie Loan Facility;
- (c) the Macquarie Options have been issued and allotted to Macquarie Bank Limited who is not a related party of the Company;

- (d) the Macquarie Options have been issued on the terms and conditions set out in Schedule A; and
- (e) no funds will be raised from the Macquarie Options as they were issued for the purpose set out in paragraph (b) above.

3.3 Directors' recommendation

ALL Directors recommend that Shareholders **VOTE IN FAVOUR** of Resolution 3.

4. RESOLUTION 4 – APPROVAL OF FUTURE ISSUES UNDER EMPLOYEE RIGHTS PLAN

4.1 General

Shareholders last approved the Company's Employee Rights Plan at the 2014 Annual General Meeting. The Directors have recently decided to make changes to the Employee Rights Plan which are designed to allow those eligible employees who receive an offer to participate in the Employee Rights Plan to renounce that offer in favour of a nominee who is sufficiently related to the eligible employee.

The Company believes that this amendment is consistent with the objectives of the Employee Rights Plan, being a valuable tool for aligning the performance of eligible employees with that of Shareholders and assisting in the retention of experienced personnel.

4.2 Regulatory requirements

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

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

2,412,826 Share Rights have been issued under the Employee Rights Plan since it was last approved by Shareholders.

As required by ASX Listing Rule 7.2 (Exception 9), the following summary of the terms of the Employee Rights Plan is provided to Shareholders:

(a) Nature of Share Rights

The Board may, on behalf of the Company, make an offer to participate in the Employee Rights Plan to people who are in full-time or permanent part-time employment of a member of the Group (**Eligible Employees**). An offer must include the number of share rights (**Share Rights**) to which the offer relates or the formula by which the number is to be calculated.

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

Share Rights will be issued for no consideration, unless otherwise determined by the Board (subject to any applicable requirements of the ASX Listing Rules and the Corporations Act).

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

(b) **Grant of Share Rights**

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

As soon as reasonably practicable following the receipt of a duly completed and signed valid acceptance form (or, if later, the Acceptance Date), the Company will, provided the relevant Eligible Employee continues to be an Eligible Employee, grant to that Eligible Employee the number of Share Rights the subject of the acceptance form. The Board may decide to reject an acceptance form, in which case the Company will give notice of the rejection to the relevant Eligible Employee and that acceptance form (and the relevant offer) will become null and void and of no effect.

An Eligible Employee becomes a participant in the Employee Rights Plan upon the Company granting Share Rights to that Eligible Employee.

The Board may, in its sole and absolute discretion, determine that an Eligible Employee may give notice that it renounces an offer of Share Rights under the Employee Rights Plan in favour of a nominee who is sufficiently related to the eligible employee as further detailed in the Employee Rights Plan. A person nominated in these circumstances becomes a participant in the Employee Rights Plan, and performance criteria or other conditions relating to employment attaching to those Share Rights (as described below) are referable to the employment and performance (as applicable) of the Eligible Employee who nominated that nominee participant.

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

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

The exercise price of the Share Rights will be nil, unless otherwise determined by the Board (subject to any applicable requirements of the ASX Listing Rules and the Corporations Act).

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

The Board may, in its absolute discretion, prescribe performance criteria (which may include a condition that the relevant participant in the Employee Rights Plan remains an employee for a specified period) that must be satisfied as a condition for all or any of the Shares the subject of particular Share Rights to be exercised. An offer to an Eligible Employee to participate in the Employee Rights Plan must include the performance criteria (if any) applicable to the relevant Share Rights.

Once a Share Right is capable of exercise, it may be exercised at any time up until 5.00pm (Brisbane time) on the expiry date (which is the date 5 years after the date of the grant of the Share Right, or such earlier date as is determined by the Board and specified in the offer).

Share Rights will become capable of exercise if the performance criteria (if any) prescribed in an offer in respect of those Share Rights have been satisfied or waived prior to the expiry date. Once Share Rights are validly exercised, the Company will, as soon as reasonably practicable, allocate and issue to the relevant participant the number of Shares the subject of those exercised Share Rights. Those Shares must be registered in the name of that participant.

If the performance criteria prescribed in an offer in respect of Share Rights are not wholly satisfied prior to the expiry date, the participant's rights in relation to those Share Rights will lapse except to the extent otherwise provided in the offer or unless the Board determines otherwise.

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

A participant's Share Rights will lapse on the earliest to occur of:

- (i) the expiry date;
- (ii) the Board determining that the participant:
 - (A) committed any act of fraud or defalcation or gross misconduct in relation to the affairs of any member of the Group;
 - (B) hedged the value of, or entered into a derivative arrangement in respect of, unvested or unexercised Share Rights; or
 - (C) purported to dispose of, or grant any security interest over, a Share Right (except in respect of the transmission of a Share Right to a participant's legal representative upon death or legal incapacity),

unless the Board determines that any such condition does not result in the lapse of the participant's Share Rights;

- (iii) in the case of the participant's unvested Share Rights – automatically on the date of termination of the participant's employment for any reason other than an 'uncontrollable

event' (being death, permanent disablement, retirement, retrenchment or such other circumstances which the Board determines is an 'uncontrollable event'); or

- (iv) in the case of the participant's vested but unexercised Share Rights:
 - (A) where the participant ceases to be an employee for any reason other than an 'uncontrollable event' – five Business Days after the date of termination of the participant's employment; or
 - (B) where the participant ceases to be an employee as a result of an 'uncontrollable event' – ten Business Days after the date of termination of the participant's employment.

Where the participant ceases to be an employee, the Board may, in its discretion, determine in relation to the participant's unvested Share Rights that:

- (i) some or all of those unvested Share Rights continue subject to their performance criteria;
- (ii) the performance criteria applying to some or all of those unvested Share Rights will be waived; or
- (iii) some or all of those unvested Share Rights will lapse.

(e) **Change of control events**

If any of the following 'change of control events' occur:

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

or the Board determines in its absolute discretion that such a 'change of control event' is likely to occur, the Board will determine in its absolute discretion appropriate treatment regarding any unvested or unexercised Share Rights such determination to be stated in the offer.

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

In the event of any re-organisation of the issued ordinary capital of the Company, the number of Share Rights (or the number of Shares subject to Share Rights, or both) will be reconstructed to the extent necessary to comply with, and in accordance with, the ASX Listing Rules applying to a re-organisation of capital at the time of the re-organisation.

If the Company makes a bonus issue to Shareholders (other than in lieu of dividends or by way of dividend reinvestment pursuant to any shareholder election), the number of Shares that may be allocated to a participant in the Employee Rights Plan will include the number of bonus Shares that would have been allotted to the participant if their Share Rights had been exercised and the Shares the subject of those Share Rights allocated to the participant before the record date for the bonus issue.

Subject to the above and the ASX Listing Rules, the Board may in its absolute discretion adjust the number of Share Rights in relation to a participant, issue a further offer to a participant for additional Share Rights or determine that Shares will be allocated to a participant in respect of some or all of their unvested or unexercised Share Rights and that their remaining share rights will wholly or partly lapse, if the Board determines it is appropriate having regard to a variation in the equity share capital of the Company, a demerger, a special dividend to be paid to all Shareholders or any other event that the Board determines appropriate.

4.3 Directors' recommendation

The Directors (with Mr Richard Ian Cottee abstaining due to his personal interest in being eligible to participate in the Employee Rights Plan and that he (or any of his associates) are excluded from voting their shares on the Resolution (as described in the 'Voting Exclusion' paragraph set out immediately after this Resolution in the section of this Notice entitled 'Business of the Meeting')) recommend that Shareholders **VOTE IN FAVOUR** of Resolution 4.

5. RESOLUTION 5 – APPROVAL OF ISSUE UNDER EMPLOYEE RIGHTS PLAN TO RICHARD IAN COTTEE

5.1 General

The Company intends to issue up to 5,932,650 share rights under the Company's Employee Rights Plan (**Share Rights**) to Mr Richard Ian Cottee, the Managing Director and Chief Executive Officer of the Company (or subject to the approval of Resolution 4, his nominee), as a long term performance incentive. If Shareholder approval is obtained the Company intends to enter into an agreement with Mr Cottee to implement the approval, which will include (without limitation) provisions that once the applicable vesting conditions attaching to the Share Rights are satisfied or waived, Mr Cottee will be entitled to one Share for each Share Right subject to the valid exercise of those Share Rights by Mr Cottee.

References in this section 5 to (i) Mr Cottee's Plan Offer, (ii) the issue of Share Rights or, on exercise of those Share Rights, Shares to Mr Cottee, (iii) Mr Cottee as the holder of Share Rights or, on exercise of those Share Rights, Shares or as being entitled to the cash value of those Share Rights, should in each case be read as Mr Cottee's nominee in circumstances where Resolution 4 is approved

and Mr Cottee has renounced an offer of Share Rights under the Employee Rights Plan in favour of a permitted nominee.

The 5,932,650 Share Rights comprise:

- (a) 191,031 Share Rights with coverage under the Company's Long Term Incentive Plan for the Plan Year commencing 1 July 2014 (**2014 LTIP**) and otherwise on the terms described in this Explanatory Statement (the **2014 LTIP Share Rights**);
- (b) 1,913,873 Share Rights with coverage under the Company's Long Term Incentive Plan for the Plan Year commencing 1 July 2015 (**2015 LTIP**) and otherwise on the terms described in this Explanatory Statement (the **2015 LTIP Share Rights**); and
- (c) 3,827,746 Share Rights that are 'Future Share Rights' under the 2015 LTIP and otherwise on the terms described in this Explanatory Statement (the **Future Share Rights**).

Shareholder approval is being sought for the issue to Mr Cottee of up to 5,932,650 Share Rights under the Employee Rights Plan for all purposes under the Corporations Act and the ASX Listing Rules.

5.2 Disclosures required under ASX Listing Rule 10.15A

ASX Listing Rule 10.15A requires this Notice of Meeting to include the following specified information in relation to the Share Rights which are proposed to be issued to Mr Cottee under the Employee Rights Plan. The performance measures relating to these Share Rights are described below.

(a) Date the securities will be provided

If approved by the Shareholders, the Share Rights (other than the Future Share Rights) will be issued to Mr Cottee as soon as practicable after the Meeting but, in any event, not later than 3 years after the Meeting.

(b) Maximum number of securities to be provided

The maximum number of Share Rights to be issued to Mr Cottee under the Employee Rights Plan pursuant to Resolution 5 is 5,932,650. If the Share Rights vest and are exercised, the Share Rights will deliver an equivalent number of Shares in the Company to Mr Cottee.

The number of Share Rights to be issued to Mr Cottee was determined by reference to the 'LTIP Percentage' for the relevant Plan Year outlined in his Plan Offer, as determined by the Board. The terms of both the 2014 LTIP and the 2015 LTIP provide coverage for various levels of eligible employees up to an LTIP Percentage of 30%. The Board has determined to waive this term of both the 2014 LTIP and 2015 LTIP in respect of Mr Cottee and instead has allocated him an LTIP Percentage of 50% for the purposes of calculating both his 2014 LTIP Share Rights and his 2015 LTIP Share Rights.

The number of 2014 LTIP Share Rights to be issued to Mr Cottee was determined by reference to his LTIP Percentage multiplied by his base salary remuneration (excluding superannuation, and any bonus or other incentive amount) for the Plan Year commencing 1 July 2014, divided by the VWAP calculated immediately prior to the commencement of

this Plan Year. The Board has determined to provide Mr Cottee with Share Rights for this Plan Year calculated on a pro rata basis commencing on and from 7 April 2015.

The number of 2015 LTIP Share Rights to be issued to Mr Cottee was determined by reference to Mr Cottee's LTIP Percentage multiplied by Mr Cottee's base salary remuneration (excluding superannuation, and any bonus or other incentive amount) for the Plan Year commencing 1 July 2015, divided by the VWAP calculated immediately prior to the commencement of this Plan Year.

In respect of both the 2014 LTIP Share Rights and the 2015 LTIP Share Rights, extended periods of leave and changes to base salary may affect the calculation of the number of Share Rights calculated for a Plan Year.

The number of Future Share Rights to be issued to Mr Cottee was determined in accordance with the formula set out in the Company's 2015 LTIP being the number equal to 200% of Mr Cottee's 2015 LTIP Share Rights, which equates to the balance of the term of Mr Cottee's employment contract which expires 30 June 2018. As such after the 1 July 2015 commencement of the 2015 LTIP, the Future Share Rights cover a 2016 Plan Year and 2017 Plan Year.

(c) **The price of the securities, performance criteria and other matters**

No price for grant or exercise

No amount is payable on the grant or exercise of these Share Rights.

Performance criteria – 2014 LTIP Share Rights and 2015 LTIP Share Rights

Both the 2014 LTIP Share Rights and 2015 LTIP Share Rights are subject to two performance hurdles (described below), each with 50% weighting. The performance period for determining the maximum number of Share Rights are available for vesting is the 3 year period commencing as the start of the relevant Plan Year and ending 30 June 3 years later. In circumstances where the Board deems appropriate, to the extent that the performance hurdles are not 100% met in the applicable performance period, the Board may determine to conduct one re-test of performance as at 31 December of the same year as the original performance measure. The re-testing performance period will be the same as the original period plus the 6 months to the end of December. To the extent that the re-test results in a better performance than the original testing, the number of Share Rights as determined by the re-testing will be available for vesting.

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

In accordance with the terms of the Employee Rights Plan, the Board has a discretion to waive the performance criteria prescribed in Mr Cottee's Plan Offer prior to the expiry date for the Share Rights.

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

A summary of the two performance hurdles is as follows:

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

For the purposes of determining the maximum number of unvested Share Rights available for vesting, the Company will calculate the Company's Absolute TSR and Relative TSR effective as at the Vesting Date in accordance with the above table to determine the relative hurdle band and vesting percentage that have been met.

The unvested Share Rights for the applicable hurdle met for the performance period are then multiplied by the vesting percentage achieved for that hurdle to determine the total number of unvested Share Rights that will vest on the Vesting Date.

Performance criteria – Future Share Rights

The Board has determined, in accordance with its discretion under the 2015 LTIP, to issue Mr Cottee with the Future Share Rights on the occurrence, of a 'change of control event' (described below), or if the Board determines in its absolute discretion that a 'change of control event' is likely to occur. The Future Share Rights are not subject to any performance criteria and will immediately vest on issue.

There are other employee positions within the Company that are likely to be most affected by a 'change of control event' which are integral to

optimising shareholder value. These positions are Key Management Personnel, a company secretary, certain senior managers and other positions determined by the Board. To align the interests of shareholders with these persons during a 'change of control event', the Board has also determined, in accordance with its discretion under the 2015 LTIP, to enter into similar arrangements as Mr Cottee's with these employees in respect of 'Future Share Rights' as defined under the 2015 LTIP on the occurrence of a 'change of control event', or if the Board determines in its absolute discretion that a 'change of control event' is likely to occur.

If a 'change of control event' occurs, or if the Board determines in its absolute discretion that a 'change of control event' is likely to occur, all of Mr Cottee's Future Share Rights will be automatically issued and will immediately vest at 100% in which case Shares will be allocated subject to the valid exercise of those Share Rights.

Exercise and lapse of Share Rights

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

If Mr Cottee's employment ceases due to an 'uncontrollable event', then the Board has determined that his unvested Share Rights that have been granted but not vested at the time of the 'uncontrollable event' will be reduced on a pro rata basis based on the commencement of a Plan Year in respect of which Unvested Share Rights were granted to the date Mr Cottee ceased to be an employee, which Unvested Share Rights will vest and be capable of exercise on the vesting date when 2014 LTIP and 2015 LTIP calculations, terms and conditions, have been determined, respectively (as applicable).

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

If Mr Cottee ceases to be eligible to participate in the Employee Rights Plan through demotion, transfer to another role in the Company, or change of role in the Company by his choosing, then his unvested Share Rights previously granted in the previous Plan Years will be available and his unvested Share Rights granted in the current Plan Year will be forfeited.

The number of Share Rights may also be adjusted for underperformance or serious misconduct not warranting termination, in accordance with the terms of the 2014 LTIP and 2015 LTIP (as applicable).

The vesting, exercise and lapse of the Share Rights will otherwise be in accordance with the terms of the Employee Share Plan, as described in Section 4 of this Explanatory Statement.

Change of control events

The Board has determined, in accordance with its discretion under the Employee Rights Plan, that if a 'change of control event' occurs, or if the

Board determines in its absolute discretion that a 'change of control event' is likely to occur:

- (i) all of Mr Cottee's unvested 2014 LTIP Share Rights and 2015 LTIP Share Rights will automatically have any and all performance criteria waived and will immediately vest at 100% in which case Shares will be allocated subject to the valid exercise of those Share Rights by Mr Cottee;
- (ii) all of Mr Cottee's Future Share Rights will be automatically issued and will immediately vest at 100% in which case Shares will be allocated subject to the valid exercise of those Share Rights by Mr Cottee; and
- (iii) all of Mr Cottee's unexercised 2015 LTIP Share Rights will not be replaced and will not lapse.

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

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

- (i) any person, either alone or together with any associate (as defined in the Corporations Act), acquires a relevant interest (as defined in the Corporations Act) in more than 50% of the issued Shares in the Company as a result of a takeover bid;
- (ii) any person, either alone or together with any associate (as defined in the Corporations Act), acquires a relevant interest (as defined in the Corporations Act) in more than 50% of the issued Shares in the Company through a scheme of arrangement;
- (iii) a material change in the composition of the Board, such change being initiated as a result of a change in ownership of the Company's securities and the purchaser of the securities requiring (or agreeing with other security holders to require) that change in Board composition; or
- (iv) any other similar event (including a merger of the Company with another company) which the Board determines, in its absolute discretion, to be a 'change of control event'.

Effect of re-organisation of capital

In the event of any re-organisation of the issued ordinary capital of the Company, the Share Rights will be reconstructed in accordance with the terms of the Employee Share Plan, as described in Section 4 of this Explanatory Statement.

(d) **Persons referred to in ASX Listing Rule 10.14 who received securities under the Employee Rights Plan since the last Shareholder approval**

No persons referred to in ASX Listing Rule 10.14 have received securities under the Employee Rights Plan since the last Shareholder approval.

(e) **Persons referred to in ASX Listing Rule 10.14 who are eligible to participate in the Employee Rights Plan**

Mr Richard Ian Cottee is the only person referred to in ASX Listing Rule 10.14 who is currently eligible to participate in the Employee Rights Plan.

(f) **No loan**

No loan will be provided by the Company in relation to the grant of the Share Rights to, or the exercise of those Share Rights by, Mr Cottee.

(g) **Details to be included in annual reports**

Details of any securities issued under the Employee Rights Plan will be published in each annual report of the Company relating to a period in which the securities have been issued, and that approval for the issue of the securities was obtained under ASX Listing Rule 10.14.

Any additional persons to whom ASX Listing Rule 10.14 applies and who become entitled to participate in the Employee Rights Plan after this resolution is approved and who are not named in this Notice of Meeting will not participate until approval is obtained under ASX Listing Rule 10.14.

5.3 Termination benefit

Under Part 2D.2 of the Corporations Act, a company may only give a person a benefit in connection with their retirement from a managerial or executive office in the company or a related body corporate if it is approved by shareholders or an exemption applies. Approval is sought for the purpose of Part 2D.2 of the Corporations Act for the provision by the Company to Mr Richard Ian Cottee of a termination benefit constituted by any early vesting of the Share Rights in accordance with the Employee Rights Plan, the 2014 LTIP or 2015 LTIP (as applicable), Mr Cottee's employment agreement and any other contractual arrangement evidencing the grant of the Share Rights to Mr Cottee pursuant to Resolution 5.

The termination benefit that may be given is the early vesting of Share Rights in certain circumstances of retirement from office. If Mr Cottee ceases to be employed by the Company due to an 'uncontrollable event (being death, permanent disablement, retirement, redundancy or such other circumstances which the Board determines is an 'uncontrollable event') then the Board has determined that his unvested Share Rights that have been granted but not vested at the time of the 'uncontrollable event' will be reduced on a pro rata basis based on the commencement of a Plan Year in respect of which Unvested Share Rights were granted to the date Mr Cottee ceased to be an employee, which Unvested Share Rights will vest and be capable of exercise on the vesting date when 2014 LTIP and 2015 LTIP calculations, terms and conditions, have been determined, respectively (as applicable). If Mr Cottee ceases to be eligible to participate in the Employee Rights Plan through demotion, transfer to another role in the Company, or change of role in the Company by his choosing, then his unvested Share Rights previously granted in the previous Plan

Years will be available and his unvested Share Rights granted in the current Plan Year will be forfeited.

The value of such a benefit cannot presently be ascertained but matters, events and circumstances that will, or are likely to, affect the calculation of that value include:

- (a) the number of unvested Share Rights held by Mr Cottee at the time of his retirement from office (including the number of those unvested Share Rights granted in previous Plan Years and the number granted in the current Plan Year); and
- (b) the market price of the Company's shares at the time of exercise of those Share Rights that vest on the retirement of Mr Cottee from office in the circumstances described above.

5.4 Directors' recommendation

The Directors (with Mr Richard Ian Cottee abstaining due to his personal interest as the proposed recipient of the Share Rights the subject of the resolution) recommend that Shareholders **VOTE IN FAVOUR** of Resolution 5.

GLOSSARY AND GENERAL DISCLAIMER

A. Glossary:

\$ means Australian dollars.

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

ASIC means the Australian Securities & Investments Commission.

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

ASX Listing Rules means the Listing Rules of ASX.

Board means the current board of directors of the Company.

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

Chair means the chair of the Meeting.

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

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

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

Constitution means the Company's constitution.

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

Directors means the current directors of the Company.

Employee Rights Plan means the Central Petroleum Limited Employee Rights Plan.

Explanatory Statement means the explanatory statement accompanying the Notice.

Group means the Company and its Related Bodies Corporate.

Key Management Personnel has the same meaning as in the accounting standards issued by the Australian Accounting Standards Board and means those persons having authority and responsibility for planning, directing and controlling the activities of the Company, or if the Company is part of a consolidated entity, of the consolidated entity,

directly or indirectly, including any director (whether executive or otherwise) of the Company, or if the Company is part of a consolidated entity, of an entity within the consolidated group.

managerial or executive office has the meaning given in section 200AA of the Corporations Act.

Notice or **Notice of Meeting** means this notice of meeting including the Explanatory Statement, Glossary and General Disclaimer, Schedule A and the Voting Form.

Option means an option to acquire a Share.

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

Remuneration Report means the remuneration report set out in the Director's report section of the Company's annual financial report for the year ended 30 June 2015

Resolutions means the resolutions set out in the Notice, or any one of them, as the context requires.

retires or **retirement** includes the extended meaning given in section 200A of the Corporations Act.

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

Shareholder means a registered holder of a Share.

Voting Form means the voting form accompanying the Notice.

VWAP means the arithmetic average rounded to the nearest full cent of the daily volume weighted average sale price of Company Shares sold on the ASX for the period of 20 Trading Days (as that term is defined in the ASX Listing Rules) on which Company Shares are traded on the ASX ending on the Trading Day prior to 30 June, calculated using the Bloomberg page "AQR" or, if that page is unavailable or has been discontinued, calculated by ASX using its standard method of calculation.

B. General Disclaimer:

This document may contain forward-looking statements. Forward looking statements are only predictions and are subject to risks, uncertainties and assumptions which are outside the control of the Company. These risks, uncertainties and assumptions include (but are not limited to) commodity prices, currency fluctuations, economic and financial market conditions in various countries and regions, environmental risks and legislative, fiscal or regulatory developments, political risks, project delay or advancement, approvals and cost estimates. Actual values, results or events may be materially different to those expressed or implied in this document. Given these uncertainties, readers are cautioned not to place reliance on forward looking statements. Any forward looking statement in this document is valid only at the date of issue of this document. Subject to any continuing obligations under applicable law and the ASX Listing Rules, or any other Listing Rules or Financial Regulators' rules, the Company, its agents, directors, officers, employees, advisors and consultants do not undertake any obligation to update or revise any information or any of the forward looking statements in this document if events, conditions or circumstances change or that unexpected occurrences happen to affect such a statement. Sentences and phrases are forward looking statements when they include any tense from present to future or similar inflection words, such as (but not limited to) "believe," "estimate," "anticipate," "plan," "predict," "may," "hope," "can," "will," "should," "expect," "intend," "is designed to," "with the intent," "potential," the negative of

these words or such other variations thereon or comparable terminology, may indicate forward looking statement.

SCHEDULE A – TERMS AND CONDITIONS OF MACQUARIE OPTIONS

Each Option (**Macquarie Option**) issued by the Company to Macquarie Bank Limited (including any assignee or transferee from time to time) (**Macquarie**), entitles Macquarie to the issue of one Share upon exercise by notice in writing and payment of the Exercise Price (as defined below) at any time following the date of issue of the Macquarie Option but before 5.00 pm on the Option Expiry Date (as defined below) (the **Exercise Period**).

- 1.1 Macquarie may exercise Macquarie Options at any time during the Exercise Period.
- 1.2 The exercise price of each Macquarie Option is \$0.20 (20 cents) (**Exercise Price**). No premium will be payable by Macquarie in respect of the Macquarie Options.
- 1.3 If there is a Bonus Issue to holders of Shares, the number of Shares over which a Macquarie Option is exercisable is increased by the number of Shares which Macquarie would have received if the Macquarie Option had been exercised before the Record Date for the Bonus Issue.
- 1.4 If there is a Pro Rata Issue to holders of Shares, the Exercise Price of a Macquarie Option is reduced according to the formula set out in ASX Listing Rule 6.22.2.
- 1.5 If, before exercise or expiry of the Macquarie Options, the Company implements a reorganisation of its capital, the Macquarie Options must be treated in the manner required by the ASX Listing Rules. The Company must notify Macquarie of any proposed variation to the terms and conditions of the Macquarie Options no less than five Business Days prior to the date of variation and any variation to the terms and conditions of the Macquarie Options immediately after the date of variation.
- 1.6 The Macquarie Option Expiry Date is 1 September 2019 (the **Option Expiry Date**).
- 1.7 The Macquarie Options may be transferred in whole or part by Macquarie at any time to a person who is a professional investor (as defined in section 9 of the Corporations Act) pursuant to section 708(11) of the Corporations Act or a sophisticated investor pursuant to section 708(8) of the Corporations Act. Promptly following any transfer of the Macquarie Options the transferor and the transferee will notify the Company of the transfer and (subject to the return of the relevant certificate relating to the transferred Macquarie Options) the Company will issue a new Option certificate to the transferor and the transferee reflecting their respective holdings of Macquarie Options.
- 1.8 Macquarie Options may be exercised by:
 - (a) delivering to the Company the application for Shares on exercise of unlisted options duly executed by Macquarie (together with providing the Option certificate) specifying the number of Macquarie Options being exercised (**Relevant Number**); and
 - (b) payment to the Company by bank cheque or other immediately available and freely transferable funds of an amount equal to the Exercise Price multiplied by the number of Macquarie Options being exercised (the **Settlement Price**).
- 1.9 The Company must within five Business Days of the receipt by it of the last of the documents referred to above and subject to receipt by the Company of the Settlement Price:
 - (a) issue to Macquarie (or its nominee) the Relevant Number of Shares;
 - (b) issue, or cause to be issued, to Macquarie a holding statement for the Relevant Number of Shares; and

- (c) if applicable, issue a replacement Options Certificate to Macquarie for the balance of any unexercised Macquarie Options.
- 1.10 The Shares issued pursuant to the exercise of the Macquarie Options will be issued as fully paid.
- 1.11 Until the Option Expiry Date for so long as Macquarie holds any unexercised Macquarie Options, the Company will:
 - (a) give Macquarie notice of all general meetings of the Company and of all reports, accounts and resolutions to be considered at those meetings at the same time the Shareholders of the Company are issued with such notices; and
 - (b) not do anything by way of altering its Constitution or otherwise which has the effect of changing or converting the Shares into shares of another class, or restricts the Company's ability to issue the Macquarie Options or to issue the Shares on the exercise of the Macquarie Options.
- 1.12 Until the Option Expiry Date, the Company must ensure that Macquarie is given at least 15 Business Days' written notice prior to the Record Date in relation to any New Issue, Bonus Issue, Non-Pro Rata Issue or Pro Rata Issue of shares, or rights to subscribe for shares issued or to be issued by the Company (**Additional Rights**).
- 1.13 A Macquarie Option does not confer any rights to dividends.
- 1.14 A Macquarie Option does not confer any voting rights.
- 1.15 A Macquarie Option does not confer any right on Macquarie to participate in a new issue without exercising the Macquarie Option.
- 1.16 Macquarie will be entitled to participate in any rights to take up Additional Rights on the same terms and conditions as are applicable to the other offerees or Shareholders of the Company provided that Macquarie has exercised any Macquarie Option prior to the Record Date for the relevant offer.
- 1.17 Any Shares issued to Macquarie by the Company as a result of the exercise of a Macquarie Option will rank *pari passu* in all respects with all other Shares then on issue. Shares issued upon the exercise of Macquarie Options will only carry an entitlement to receive a dividend if they were issued before the Record Date for that dividend.
- 1.18 The Company shall (within three Business Days of Macquarie having exercised any Macquarie Options or earlier if required by the ASX Listing Rules) apply for official quotation on ASX of the Shares allotted as a result of the exercise.
- 1.19 At the time any Shares are issued upon the exercise of a Macquarie Option, the Company will:
 - (a) lodge a notice to the ASX under section 708A(5)(e) of the Corporations Act and provide a copy of that notice to Macquarie within five Business Days of lodgement with the ASX;
 - (b) lodge a prospectus in respect of the Shares in accordance with Chapter 6D of the Corporations Act; or
 - (c) obtain ASIC relief,
such that (subject to the constitution of the Company and any applicable laws) the Shares may be freely traded.

- 1.20 Subject to the ASX Listing Rules, the terms and conditions of Macquarie Options applicable to Macquarie may be varied at any time by written agreement between the Company and Macquarie.
- 1.21 If any Macquarie Options certificate is lost, stolen, mutilated, defaced or destroyed, Macquarie may apply for a replacement certificate. The application must be accompanied by:
- (a) a written statement that the Macquarie Options certificate has been lost or destroyed and not otherwise pledged, sold or otherwise disposed of;
 - (b) if the Macquarie Options certificate has been lost, a written statement that proper searches have been made; and
 - (c) an undertaking that, if the certificate is found or received by the holder of the relevant Macquarie Options, it will be returned to the Company.
- 1.22 The Company must issue a replacement certificate within ten Business Days after receipt of the documents referred to above.
- 1.23 In this Schedule A:
- (a) the expressions **Bonus Issue**, **Pro Rata Issue** and **Record Date** have the meaning given in the ASX Listing Rules; and
 - (b) **Business Day** means a day (other than a Saturday or a Sunday or a public holiday) on which banks are generally open in Sydney, Australia for normal business.
- 1.24 These terms and conditions and the Macquarie Options are governed by the laws of New South Wales.



Central
Petroleum

ABN 72 083 254 308

Lodge your vote:

 **Online:**
www.investorvote.com.au

 **By Mail:**
Computershare Investor Services Pty Limited
GPO Box 242 Melbourne
Victoria 3001 Australia

Alternatively you can fax your form to
(within Australia) 1800 783 447
(outside Australia) +61 3 9473 2555

For Intermediary Online subscribers only
(custodians) www.intermediaryonline.com

For all enquiries call:
(within Australia) 1300 850 505
(outside Australia) +61 3 9415 4000

┌ 000001 000 CTP
MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030



Voting Form



Vote and view the annual report online

- Go to www.investorvote.com.au or scan the QR Code with your mobile device.
- Follow the instructions on the secure website to vote.



Your access information that you will need to vote:

Control Number: 999999

SRN/HIN: I999999999

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



**For your vote to be effective it must be received by
11.00am (Brisbane time) Saturday 31 October 2015**

How to Vote on Items of Business

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

Vote Directly

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

Voting a portion of your holding: Indicate a portion of your voting rights by inserting the number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement.

Appoint a Proxy to Vote on Your Behalf

Voting 100% of your holding: Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote or abstain as they choose (to the extent permitted by law). If you mark more than one box on an item your vote will be invalid on that item.

Voting a portion of your holding: Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

Appointing a second proxy: You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

A proxy need not be a securityholder of the Company.

Signing Instructions for Postal Forms

Individual: Where the holding is in one name, the securityholder must sign.

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

Power of Attorney: If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held. Delete titles as applicable.

Attending the Meeting

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

Comments & Questions: If you have any comments or questions for the company, please write them on a separate sheet of paper and return with this form.

**GO ONLINE TO VOTE,
or turn over to complete the form** →

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

Change of address. If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise their broker of any changes.



I 9999999999

I ND

Voting Form

Please mark to indicate your directions

STEP 1 Indicate How your Vote will be Cast *Select one option only*

XX

At the Annual General Meeting of Central Petroleum Limited to be held in the South Stradbroke Room, Level 5, Hotel Jen Brisbane, 159 Roma Street, Brisbane 4000 Queensland on Monday, 2 November 2015 at 11.00am (Brisbane time) and at any adjournment or postponement of that meeting, I/We being member/s of Central Petroleum Limited direct the following:

1. Vote Directly

Record my/our votes strictly in accordance with directions in Step 2.

PLEASE NOTE: A Direct Vote will take priority over the appointment of a Proxy. For a valid Direct Vote to be recorded you must mark FOR, AGAINST, or ABSTAIN on each item.

2. Appoint a Proxy to Vote on Your Behalf: I/We hereby appoint

the Chairman of the Meeting **OR**

OR

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit).

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

Chairman authorised to exercise undirected proxies on remuneration related resolutions: Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on **Items 1, 4 & 5** (except where I/we have indicated a different voting intention below) even though **Items 1, 4 & 5** are connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chairman.

Important Note: If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on **Items 1, 4 & 5** by marking the appropriate box in step 2 below.

STEP 2 Items of Business

PLEASE NOTE: If you have appointed a proxy and you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority. If you are directly voting and you mark the **Abstain** box for an item, it will be treated as though no vote has been cast on that item and no vote will be counted in computing the required majority.

	For	Against	Abstain
1 Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Re-election of Director - John Thomas Wilson	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 Ratification of prior issue of Options to Macquarie Bank Limited	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4 Approval of future issues under employee rights plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5 Approval of issue under employee rights plan to Richard Ian Cottey	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business. In exceptional circumstances, the Chairman of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

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

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

Contact Name

Contact Daytime Telephone

Date / /