
AUSTIN EXPLORATION LIMITED

ACN 114 198 471

NOTICE OF ANNUAL GENERAL MEETING

Notice is given that the Meeting will be held at:

TIME: 12:00 pm (AEDT)

DATE: Monday 21 November 2016

PLACE: Boardroom Pty Limited
Level 12, Grosvenor Place
225 George Street, Sydney NSW 2000

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

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 12:00 pm (AEDT) on Saturday 19 November 2016.

BUSINESS OF THE MEETING

AGENDA

1. FINANCIAL STATEMENTS AND REPORTS

To receive and consider the annual financial report of the Company for the financial year ended 30 June 2016 together with the declaration of the directors, the director's report, the Remuneration Report and the auditor's report.

2. 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 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 2016.”

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

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 (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.

3. RESOLUTION 2 – RE-ELECTION OF DIRECTOR – GUY GOUDY

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

“That, for the purpose of clause 59.1 of the Constitution, ASX Listing Rule 14.4 and for all other purposes, Guy Goudy, a Director, retires by rotation, and being eligible, is re-elected as a Director.”

4. RESOLUTION 3 – ELECTION OF DIRECTOR – ANDREW BLOW

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

“That, for the purpose of clause 58.2 of the Constitution, ASX Listing Rule 14.4 and for all other purposes, Andrew Blow, a Director who was appointed as an additional Director on 15 August 2016, retires, and being eligible, is elected as a Director.”

5. RESOLUTION 4 – ISSUE OF SHARES TO RELATED PARTY – ANDREW BLOW

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

“That for the purposes of ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue 500,000 Shares to Andrew Blow (or his nominee/s) on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion Statement: The Company will disregard any votes cast on this Resolution by Andrew Blow (or his nominee/s) and any of their associates. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

Voting Prohibition Statement:

A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

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

However, the above prohibition does not apply if:

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

6. RESOLUTION 5 – RATIFICATION OF PRIOR ISSUE – TRANCHE 2 OF JUNE PLACEMENT

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 57,142 Shares 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 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 on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

7. RESOLUTION 6 – RATIFICATION OF PRIOR ISSUE – JULY PLACEMENT

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 2,500,000 Shares and 1,250,000 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 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 on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

8. RESOLUTION 7 – RATIFICATION OF PRIOR ISSUE – SEPTEMBER PLACEMENT – ASX LISTING RULE 7.1

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 39,983,333 Shares and 91,994,428 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 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 on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

9. RESOLUTION 8 – RATIFICATION OF PRIOR ISSUE – SEPTEMBER PLACEMENT – ASX LISTING RULE 7.1A

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 111,000,000 Shares 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 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 on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

10. RESOLUTION 9 – ISSUE OF OPTIONS TO BROKER

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 for all other purposes, approval is given for the Company to issue up to 53,120,000 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 any person who may participate in the proposed issue and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if the Resolution is passed 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 on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

11. RESOLUTION 10 – APPROVAL OF 10% PLACEMENT CAPACITY

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

“That, for the purposes of ASX Listing Rule 7.1A and for all other purposes, approval is given for the Company to issue up to that number of Equity Securities equal to 10% of the issued capital of the Company at the time of issue, calculated in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 and otherwise on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast on this Resolution by any person who may participate in the issue of Equity Securities under this Resolution and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if the Resolution is passed and any associates of those persons. However, the Company will not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

Dated: 10 October 2016

By order of the Board



Robert Lees
Company Secretary

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 Proxy Form and return by the time and in accordance with the instructions set out on the Proxy 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, then in accordance with section 249X(3) of the Corporations Act, each proxy may exercise one-half of the votes.

Shareholders and their proxies should be aware that changes to the Corporations Act made in 2011 mean 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.

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on +61 2 9299 9580.

EXPLANATORY STATEMENT

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

1. FINANCIAL STATEMENTS AND REPORTS

In accordance with the Constitution, 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 2016 together with the declaration of the directors, the directors' report, the Remuneration 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.austinexploration.com.

2. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

2.1 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.

2.2 Voting consequences

A company is required to put to its shareholders a resolution proposing the calling of another meeting of shareholders to consider the appointment of directors of the company (**Spill Resolution**) if, at consecutive annual general meetings, at least 25% of the votes cast on a remuneration report resolution are voted against adoption of the remuneration report and at the first of those annual general meetings a Spill Resolution was not put to vote. If required, the Spill Resolution must be put to vote at the second of those annual general meetings.

If more than 50% of votes cast are in favour of the Spill Resolution, the company must convene a shareholder meeting (**Spill Meeting**) within 90 days of the second annual general meeting.

All of the directors of the company who were in office when the directors' report (as included in the company's annual financial report for the most recent financial year) was approved, other than the managing director of the company, will cease to hold office immediately before the end of the Spill Meeting but may stand for re-election at the Spill Meeting.

Following the Spill Meeting those persons whose election or re-election as directors of the company is approved will be the directors of the company.

2.3 Previous voting results

At the Company's previous annual general meeting the votes cast against the remuneration report considered at that annual general meeting were less than 25%. Accordingly, the Spill Resolution is not relevant for this Annual General Meeting.

3. RESOLUTION 2 – RE-ELECTION OF DIRECTOR – GUY GOUDY

3.1 General

ASX Listing Rule 14.4 provides that, other than a managing director, a director of an entity must not hold office (without re-election) past the third AGM following the director's appointment or 3 year, whichever is the longer. However, where there is more than one managing director, only one is entitled not to be subject to re-election.

The Constitution sets out the requirements for determining which Directors are to retire by rotation at an annual general meeting.

Guy Goudy, who has served as a director since 13 July 2009, also served as the Company's Chief Executive Officer from 3 August 2011 until 24 March 2012. From 24 March 2012 until 30 June 2015 Guy Goudy was Chief Commercial/Operating Officer. He was appointed Chief Executive Officer and Managing Director on 1 July 2015, and served the Company in those roles until 15 July 2016 when he was appointed as executive chairman of the Company. Mr Goudy who was last re-elected on 12 November 2013, retires by rotation and seeks re-election.

3.2 Qualifications and other material directorships

Mr Goudy joined the Company in 2009 and has served the Company in various roles including Chief Operating Officer, Managing Director and Chief Executive Officer and was promoted to the role of Executive Chairman in July 2016. Guy has been instrumental in navigating the Company through the current severe down-turn in oil prices and the elimination of the Company's debt. Guy has over 10 years of oil and gas investment experience and has extensive network of global industry, financial and political contacts. Prior to his appointment at the Company, Mr Goudy was employed in the financial services sector and was an authorised representative with a leading stock broking and financial advisory firm in Sydney.

Mr Goudy was trained at the University of Technology, Sydney (UTS) where he holds various formal qualifications in business. He has also completed Mineral Economics course work at the Colorado School of Mines.

Mr Goudy has also served as the President of the Company's wholly owned North American subsidiary, AusCo Petroleum Inc, since 2009.

Mr Goudy has no other current or former listed directorships.

3.3 Independence

If elected the Board does not consider that Guy Goudy will be an independent director.

3.4 Board recommendation

The Board supports the re-election of Mr Goudy and recommends that Shareholders vote in favour of Resolution 2.

4. RESOLUTION 3 – ELECTION OF DIRECTOR – ANDREW BLOW

4.1 General

The Constitution allows the Directors to appoint at any time a person to be a Director either to fill a casual vacancy or 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.

Pursuant to the Constitution and ASX Listing Rule 14.4, any Director so appointed holds office only until the next following annual general meeting and is then eligible for election by Shareholders but shall not be taken into account in determining the Directors who are to retire by rotation (if any) at that meeting.

Andrew Blow, having been appointed by other Directors on 15 August 2016 in accordance with the Constitution, will retire in accordance with the Constitution and ASX Listing Rule 14.4 and being eligible, seeks election from Shareholders.

4.2 Qualifications and other material directorships

Andrew Blow holds a Bachelor's Degree in Communications from Charles Sturt University in New South Wales and has spent more than 10 years working in media, government and public affairs. Mr Blow specialises in the provision of high-end strategic advice to Government, and his services have been utilised extensively by some of Australia's most senior decision makers.

Mr Blow has experience managing public engagement on Government policies, with a particular focus on infrastructure and means by which Government can leverage private sector investment in major projects.

Mr Blow has no other current or former listed directorships.

4.3 Independence

Andrew Blow has no interests, position, association or relationship that might influence, or reasonably be perceived to influence, in a material respect his capacity to bring an independent judgement to bear on issues before the board and to act in the best interest of the entity and its security holders generally.

If elected the Board considers Andrew Blow will be an independent director.

4.4 Board recommendation

The Board supports the re-election of Andrew Blow and recommends that Shareholders vote in favour of Resolution 3.

5. RESOLUTION 4 – ISSUE OF SHARES TO RELATED PARTY – ANDREW BLOW

5.1 General

On 16 August 2016, the Company announced the appointment of Andrew Blow as a Non-Executive Director of the Company. The Company has agreed, subject to

obtaining Shareholder approval, to issue 500,000 Shares to Andrew Blow (or his nominee/s) (**Related Party Shares**) as a sign-on bonus.

Resolution 4 seeks Shareholder approval for the issue of the Related Party Shares to Andrew Blow (or his nominee/s).

5.2 Chapter 2E of the Corporations Act

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 Shares constitutes giving a financial benefit and Andrew Blow is a related party of the Company by virtue of being a Director.

The Directors (other than Andrew Blow who has a material personal interest in the Resolution) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the issue of Related Party Shares because the agreement to issue the Related Party Shares, reached as part of the remuneration package for Mr Blow, is considered reasonable remuneration in the circumstances and was negotiated on an arm's length basis.

5.3 ASX Listing Rule 10.11

ASX Listing Rule 10.11 also requires shareholder approval to be obtained where an entity issues, or agrees to issue, securities to a related party, or a person whose relationship with the entity or a related party is, in ASX's opinion, such that approval should be obtained unless an exception in ASX Listing Rule 10.12 applies.

As the issue of the Related Party Shares involves the issue of securities to a related party of the Company, Shareholder approval pursuant to ASX Listing Rule 10.11 is required unless an exception applies. It is the view of the Directors that the exceptions set out in ASX Listing Rule 10.12 do not apply in the current circumstances.

5.4 Technical Information required by ASX Listing Rule 10.13

Pursuant to and in accordance with ASX Listing Rule 10.13, the following information is provided in relation to Resolution 4:

- (a) the Related Party Shares will be issued to Andrew Blow (or his nominee/s);
- (b) the number of Related Party Shares to be issued is 500,000;
- (c) the Related Party Shares 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 ASX Listing Rules) and it is intended that issue of the Related Party Shares will occur on the same date;

- (d) the Related Party Shares will be issued for nil cash consideration, accordingly no funds will be raised; and
- (e) the Related Party Shares will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares.

Approval pursuant to ASX Listing Rule 7.1 is not required for the issue of the Related Party Shares as approval is being obtained under ASX Listing Rule 10.11. Accordingly, the issue of Related Party Shares to Andrew Blow (or his nominee/s) will not be included in the use of the Company's 15% annual placement capacity pursuant to ASX Listing Rule 7.1.

6. RESOLUTION 5 – RATIFICATION OF PRIOR ISSUE – TRANCHE 2 OF JUNE PLACEMENT

6.1 General

On 10 June 2016, the Company announced that it was undertaking a two tranche placement to raise up to \$1.7 million (**June Placement**) as follows:

- (a) an initial 200,000,000 Shares at an issue price of \$0.007 per Share to be issued without prior Shareholder approval under the Company's placement capacities provided by ASX Listing Rules 7.1 and 7.1A (**Tranche 1**); and
- (b) a subsequent tranche of up to 42,857,000 Shares at an issue price of \$0.007 per Share, subject to Shareholder approval (**Tranche 2**).

On 17 June 2016, the Company issued the Shares the subject of Tranche 1 of the June Placement to raise \$1,400,000.

At the Company's general meeting on 9 August 2016, the Company obtained Shareholder approval to:

- (a) ratify the issue of the Shares the subject of Tranche 1 of the June Placement; and
- (b) issue the Shares the subject of Tranche 2 of the June Placement, in order to complete the Placement.

On 26 August 2016, the Company issued the Shares the subject of Tranche 2 of the June Placement, together with an additional 57,142 Shares at an issue price of \$0.007 per Share to raise a further \$399.994 which were issued under the Company's placement capacity provided by ASX Listing Rules 7.1.

Resolution 5 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of these 57,142 Shares.

6.2 ASX Listing Rules 7.1 and 7.4

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 in general meeting ratifies the previous issue of securities made pursuant to ASX Listing Rule 7.1 (and provided that the previous issue did not

breach ASX Listing Rule 7.1) those securities will be deemed to have been made with shareholder approval for the purpose of ASX Listing Rule 7.1.

By ratifying this issue, 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.

6.3 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 5:

- (a) 57,142 Shares were issued;
- (b) the issue price was \$0.007 per Share;
- (c) the Shares issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (d) the Shares were issued to sophisticated and professional investors identified by the Directors or introduced to the Company by Patersons Securities Limited. None of these subscribers were related parties of the Company; and
- (e) the funds raised from this issue were used to expedite development, including expansion opportunities, at the Company's Pathfinder Project in Colorado.

7. RESOLUTION 6 – RATIFICATION OF PRIOR ISSUE – JULY PLACEMENT

7.1 General

On 11 July 2016, the Company issued 2,500,000 Shares at an issue price of \$0.004 per Share, together with one (1) free attaching Option for every two (2) Shares subscribed for and issued, to raise \$10,000 (before costs) (**July Placement**).

The Shares and Options under the July Placement were issued without prior Shareholder approval under the Company's placement capacity provided by ASX Listing Rules 7.1.

Resolution 6 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of those Shares and Options under the July Placement.

A summary of ASX Listing Rules 7.1 and 7.4 is set out in Section 6.2 above.

By ratifying this issue, 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.

7.2 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 6:

- (a) 2,500,000 Shares and 1,125,000 Options were issued;

- (b) the issue price per Share was \$0.004 and the issue price of the Options was nil as they were issued free attaching with the Shares on a 1:2 basis;
- (c) the Shares issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (d) the Options were all issued on the terms and conditions set out in Schedule 1;
- (e) the Shares and Options were issued to sophisticated and professional investors introduced to the Company by Patersons Securities Limited. None of these subscribers were related parties of the Company; and
- (f) the funds raised from this issue were used for the development of the Company's Flagship Pathfinder project in Colorado, including for drilling, land acquisition and seismic acquisition, and for working capital.

8. RESOLUTIONS 7 AND 8 – RATIFICATION OF PRIOR ISSUE – SEPTEMBER PLACEMENT

8.1 General

On 26 September 2016, the Company announced that it was undertaking a placement of up to 276,000,000 Shares at an issue price of \$0.006 per Share, together with one (1) free attaching Option for every three (3) Shares subscribed for and issued, to raise up to \$1,656,000 (before costs) (**September Placement**). The Options were offered pursuant to a prospectus issued by the Company on 30 September 2016.

The Company issued a total of 275,983,333 Shares and 91,994,428 Options under the September Placement, which were issued progressively on 30 September 2016, 3 October 2016 and 4 October 2016.

The issue of Shares and Options under the September Placement were made as follows:

- (a) 125,000,000 Shares were issued under the Shareholder approval which was obtained at the Company's general meeting held on 9 August 2016;
- (b) 39,983,333 Shares and 91,994,428 Options were issued under the Company's 15% annual placement capacity set out in ASX Listing Rule 7.1; and
- (c) 111,000,000 Shares were issued under the Company's 10% annual placement capacity set out in ASX Listing Rule 7.1A.

The Company has engaged the services of Patersons Securities Limited (ACN 008 896 311) (**Patersons Securities**), a licensed securities dealer (AFSL 239052), to manage the September Placement. The Company will pay Patersons Securities a management fee of \$50,000 (plus GST) and 6% (plus GST) on the amount raised under the September Placement. Subject to Shareholder approval, the Company has also agreed to issue 53,120,000 Options to Patersons Securities (or its nominees).

Resolutions 7 and 8 seek Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of those Shares and Options under the September Placement.

The issue of Options to Patersons Securities (or its nominees) is the subject of Resolution 9.

8.2 ASX Listing Rules 7.1, 7.1A and 7.4

A summary of ASX Listing Rules 7.1 and 7.4 is set out in Section 6.2 above.

ASX Listing Rule 7.1A provides that in addition to issues permitted without prior shareholder approval under ASX Listing Rule 7.1, an entity that is eligible and obtains shareholder approval under ASX Listing Rule 7.1A may issue or agree to issue during the period the approval is valid a number of quoted equity securities which represents 10% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period as adjusted in accordance with the formula in ASX Listing Rule 7.1.

Where an eligible entity obtains shareholder approval to increase its placement capacity under ASX Listing Rule 7.1A then any ordinary securities issued under that additional placement capacity:

- (i) will not be counted in variable "A" in the formula in ASX Listing Rule 7.1A; and
- (ii) are counted in variable "E",

until their issue has been ratified under ASX Listing Rule 7.4 (and provided that the previous issue did not breach ASX Listing Rule 7.1A) or 12 months has passed since their issue.

The Company's capacity under ASX Listing Rule 7.1A was approved by Shareholders at the annual general meeting held on 27 November 2015.

By ratifying the issue the subject of Resolutions 7 and 8, the base figure (ie variable "A") in which the Company's 15% and 10% annual placement capacities are calculated will be a higher number and the annual placement capacities remaining available will not be reduced by the quantity of securities referred to in Resolutions 7 and 8 which in turn will allow a higher number of securities to be issued without the requirement to obtain prior Shareholder approval.

8.3 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 Resolutions 7 and 8:

- (a) 39,983,333 Shares and 91,994,428 Options were issued pursuant to ASX Listing Rule 7.1;
- (b) 111,000,000 Shares were issued pursuant to ASX Listing Rule 7.1A;
- (c) the issue price of Shares issued under both ASX Listing Rule 7.1 and ASX Listing Rule 7.1A was \$0.006 per Share and the issue price of the Options was nil as they were issued free attaching with the Shares on a 1:3 basis;
- (d) the Shares issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (e) the Options were all issued on the terms and conditions set out in Schedule 1;
- (f) the Shares and Options were issued to sophisticated and professional investors identified by the Directors or introduced to the Company by

Patersons Securities Limited. None of these subscribers were related parties of the Company; and

- (g) the funds raised from this issue will be used to advance the development of the oil and gas program at the Company's Pathfinder Project in Colorado.

9. RESOLUTION 9 – ISSUE OF OPTIONS TO BROKER

9.1 General

As set out in Section 8.1, Resolution 9 seeks Shareholder approval for the Company to issue 53,120,000 Options to Patersons Securities (or its nominee/s) as part consideration for acting as lead manager to the September Placement. The Options were offered, subject to Shareholder approval, pursuant to a prospectus issued by the Company on 30 September 2016.

Pursuant to the agreement between the Company and Patersons Securities, where Shareholders do not approve the issue of the Options, the Company is required to pay a fee of \$0.001 per Option to Patersons Securities in lieu of those Options not being granted. This will result in a maximum fee payable of \$53,120 should this Resolution 9 not be passed.

A summary of ASX Listing Rule 7.1 is set out in Section 6.2.

The effect of Resolution 9 will be to allow the Company to issue the Options to Patersons Securities (or its nominee/s) during the period of 3 months after the Meeting (or a longer period, if allowed by ASX), without using the Company's 15% annual placement capacity.

9.2 Technical information required by ASX Listing Rule 7.1

Pursuant to and in accordance with ASX Listing Rule 7.3, the following information is provided in relation to Resolution 9:

- (a) the maximum number of Options to be issued is 53,120,000;
- (b) the Options will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules) and it is intended that issue of the Options will occur on the same date;
- (c) the Options will be issued for nil cash consideration as consideration for acting as lead manager to the September Placement;
- (d) the Options will be issued to Patersons Securities (or its nominee/s), who is not a related party of the Company;
- (e) the Options will be issued on the terms and conditions set out in Schedule 1; and
- (f) no funds will be raised from the issue as the Options are being issued in consideration for acting as lead manager to the September Placement.

10. RESOLUTION 10 – APPROVAL OF 10% PLACEMENT CAPACITY

10.1 General

ASX Listing Rule 7.1A provides that an Eligible Entity (as defined below) may seek shareholder approval by special resolution passed at an annual general meeting to have the capacity to issue up to that number of Equity Securities (as defined below) equal to 10% of its issued capital (**10% Placement Capacity**) without using that company's existing 15% annual placement capacity granted under ASX Listing Rule 7.1.

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.

As at the date of this Notice, 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 \$7,673,026 (based on the number of Shares on issue and the closing price of Shares on the ASX on 7 October 2016).

An Equity Security is a share, a unit in a trust, a right to a share or unit in a trust or option, an option over an issued or unissued security, a convertible security, or, any security that ASX decides to classify as an equity security.

Any Equity Securities issued under the 10% Placement Capacity must be in the same class as an existing class of quoted Equity Securities.

As at the date of this Notice, the Company currently has 3 classes of quoted Equity Securities on issue, being the Shares (ASX Code: AKK) and the following classes of Options:

- (a) Options exercisable at \$0.03 on or before 18 September 2017; and
- (b) Options exercisable at \$0.006 each on or before 30 June 2019.

If Shareholders approve Resolution 10, the number of Equity Securities the Company may issue under the 10% Placement Capacity will be determined in accordance with the formula prescribed in ASX Listing Rule 7.1A.2.

Resolution 10 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 10 for it to be passed.

10.2 Technical information required by ASX Listing Rule 7.1A

Pursuant to and in accordance with ASX Listing Rule 7.3A, the information below is provided in relation to this Resolution 10:

(a) Minimum Price

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 10.2(a)(i), the date on which the Equity Securities are issued.

(b) **Date of Issue**

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 ASX 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 ASX Listing Rule 7.1A ceases to be valid),

(10% Placement Capacity Period).

(c) **Risk of voting dilution**

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.

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

The table below shows the dilution of existing Shareholders calculated in accordance with the formula outlined in ASX Listing Rule 7.1A(2), on the basis of the market price of Shares and the number of Equity Securities on issue as at 7 October 2016.

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 ASX Listing Rule 7.1A2)	Dilution			
	Issue Price (per Share)	\$0.00275 50% decrease in Issue Price	\$0.0055 Issue Price	\$0.00825 50% increase in Issue Price
1,395,595,711 (Current Variable A)	Shares issued - 10% voting dilution	139,559,571 Shares	139,559,571 Shares	139,559,571 Shares
	Funds raised	\$383,789	\$767,578	\$1,151,366

Number of Shares on Issue (Variable 'A' in ASX Listing Rule 7.1A2)	Dilution			
	Issue Price (per Share)	\$0.00275 50% decrease in Issue Price	\$0.0055 Issue Price	\$0.00825 50% increase in Issue Price
2,093,393,567 (50% increase in Variable A)	Shares issued - 10% voting dilution	209,339,356 Shares	209,339,356 Shares	209,339,356 Shares
	Funds raised	\$575,683	\$1,151,366	\$1,727,050
2,791,191,422 (100% increase in Variable A)	Shares issued - 10% voting dilution	279,119,142 Shares	279,119,142 Shares	279,119,142 Shares
	Funds raised	\$767,578	\$1,535,155	\$2,302,733

*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.

The table above uses the following assumptions:

1. There are currently 1,395,595,711 Shares on issue comprising:
 - (a) 1,395,095,711 existing Shares as at the date of this Notice of Meeting; and
 - (b) 500,000 Shares which will be issued if Resolutions 3 and 4 are passed at this Meeting.
2. The issue price set out above is the closing price of the Shares on the ASX on 7 October 2016.
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 that were not issued under an exception in ASX Listing Rule 7.2 or with approval under ASX Listing Rule 7.1.
5. The issue of Equity Securities under the 10% Placement Capacity consists only of Shares. It is assumed that no Options are exercised into Shares before the date of issue of the Equity Securities.
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 ASX Listing Rule 7.1.
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%.
9. The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement Capacity, based on that Shareholder's holding at the date of the Meeting.

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.

(d) **Purpose of Issue under 10% Placement Capacity**

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

- (i) as cash consideration in which case the Company intends to use funds raised for continued exploration expenditure on the Company's current assets, primarily the Pathfinder Project in Colorado, (funds would be used for further drilling, land acquisition, seismic acquisition, project, feasibility studies and ongoing project administration) and for general working capital; or
- (ii) as non-cash consideration for the acquisition of new resources assets and investments. As yet, none have been identified. 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.

(e) **Allocation policy under the 10% Placement Capacity**

The recipients of the Equity Securities to 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.

(f) **Previous approval under ASX Listing Rule 7.1A**

The Company previously obtained approval from its Shareholders pursuant to ASX Listing Rule 7.1A at its annual general meeting held on 27 November 2015 (**Previous Approval**).

The Company has issued 197,733,108 Shares pursuant to the Previous Approval. The Company has issued not issued any Options pursuant to the Previous Approval.

During the 12 month period preceding the date of the Meeting, being on and from 21 November 2015, the Company also issued a further 823,204,248 Shares and 548,501,384 Options which represents approximately 347% of the total diluted number of Equity Securities on issue in the Company on 21 November 2015, which was 374,158,355 shares and 20,775,339 Options.

Further details of the issues of Equity Securities by the Company during the 12 month period preceding the date of the Meeting are set out in Schedule 2.

(g) **Compliance with ASX Listing Rules 7.1A.4 and 3.10.5A**

When the Company issues Equity Securities pursuant to the 10% Placement Capacity, it must give to ASX:

- (i) a list of the recipients of the Equity Securities and the number of Equity Securities issued to each (not for release to the market), in accordance with Listing Rule 7.1A.4; and
- (ii) the information required by Listing Rule 3.10.5A for release to the market.

10.3 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 ASX Listing Rule 7.1A. Therefore, no existing Shareholders will be excluded from voting on Resolution 10.

GLOSSARY

\$ means Australian dollars.

10% Placement Capacity has the meaning given in Section 10.1.

AEDT means Australian Eastern Daylight Time as observed in Sydney, New South Wales.

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 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 Austin Exploration Limited (ACN 114 198 471).

Constitution means the Company's constitution.

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

Directors means the current directors of the Company.

Eligible Entity means an entity that, at the date of the relevant 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.

Equity Securities includes a Share, a right to a Share or Option, an Option, a convertible security and any security that ASX decides to classify as an Equity Security.

Explanatory Statement means the explanatory statement accompanying the Notice.

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.

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

Option means an option to acquire a Share.

Optionholder means a holder of an Option or Related Party Option as the context requires.

Ordinary Securities has the meaning set out in the ASX Listing Rules.

Proxy Form means the proxy form accompanying the Notice.

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 2016.

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

Section means a section of the Explanatory Statement.

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

Shareholder means a registered holder of a Share.

Variable A means "A" as set out in the calculation in Section 10.1.

SCHEDULE 1 – TERMS AND CONDITIONS OF OPTIONS

(a) **Entitlement**

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

(b) **Exercise Price**

Subject to paragraph (j), the amount payable upon exercise of each Option will be \$0.006 (**Exercise Price**).

(c) **Expiry Date**

Each Option will expire at 5:00 pm (WST) on 30 June 2019 (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(d) **Exercise Period**

The Options are exercisable at any time on or prior to the Expiry Date (**Exercise Period**).

(e) **Notice of Exercise**

The Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

(f) **Exercise Date**

A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds (**Exercise Date**).

(g) **Timing of issue of Shares on exercise**

Within 15 Business Days after the Exercise Date, the Company will:

- (i) allot and issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;
- (ii) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and
- (iii) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.

If a notice delivered under (g)(ii) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 Business Days after becoming aware of such notice being

ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.

(h) **Shares issued on exercise**

Shares issued on exercise of the Options rank equally with the then issued shares of the Company.

(i) **Quotation of Shares issued on exercise**

If admitted to the official list of ASX at the time, application will be made by the Company to ASX for quotation of the Shares issued upon the exercise of the Options.

(j) **Reconstruction of capital**

If at any time the issued capital of the Company is reconstructed, all rights of an Optionholder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.

(k) **Participation in new issues**

There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options.

(l) **Change in exercise price**

An Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Option can be exercised.

(m) **Quotation**

The Options are unlisted, however, the Company intends to apply for quotation of the Options on ASX, subject to the requirements of ASX Listing Rule 2.5.

(n) **Transferability**

The Options are transferable subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities laws.

SCHEDULE 2 – ISSUES OF EQUITY SECURITIES SINCE 21 NOVEMBER 2015

Date	Quantity	Class	Recipients	Issue price and discount to Market Price (if applicable) ¹	Form of consideration
Issue – 26 October 2015 Appendix 3B – 29 January 2016	41,550,565	Shares ²	Recipients under a rights issue dated 6 October 2015	\$0.015 per ordinary share (premium of 50% to closing price on date of issue)	Amount raised = \$623,259 Amount spent = \$623,259 Use of funds: working capital Amount remaining = \$nil
	20,775,339	Quoted Options ³	Recipients under a rights issue dated 6 October 2015	Nil issue price	Non-cash Consideration: The Options were free-attaching to Shares on a 1:2 basis Current value = \$41,551
Issue – 4 February 2016 Appendix 3B – 4 February 2016	700,907	Shares ²	Magna Equities II, LLC	\$0.01008 per ordinary share (premium of 21.4% to closing price on date of issue)	Amount raised = \$7,065 Amount spent = \$7,065 Use of funds: working capital Amount remaining = \$nil
Issue – 16 February 2016 Appendix 3B – 18 February 2016	5,404,106	Shares ²	Magna Equities II, LLC	\$0.00656 per ordinary share (premium of 12.5% to closing price on date of issue)	Amount raised = \$35,451 Amount spent = \$35,451 Use of funds: Exploration drilling and working capital Amount remaining = \$nil
Issue – 16 February 2016 Appendix 3B – 18 February 2016	2,675,000	Shares ²	Issued to recipients under Executive Performance Rights Plan	\$0.007 per ordinary share (premium of 20% to closing price on date of issue)	Amount raised = \$18,725 Amount spent = \$18,725 Use of funds: Exploration drilling and working capital Amount remaining = \$nil
Issue – 29 February 2016 Appendix 3B – 29 February 2016	7,399,368	Shares ²	Magna Equities II, LLC	\$0.0056 per ordinary share (discount of 25.33% to closing price on date of issue)	Amount raised = \$41,437 Amount spent = \$41,437 Use of funds: Exploration drilling and working capital Amount remaining = \$nil

Date	Quantity	Class	Recipients	Issue price and discount to Market Price (if applicable) ¹	Form of consideration
Issue – 29 February 2016 Appendix 3B – 22 March 2016	5,433,649	Shares ²	Magna Equities II, LLC	\$0.00728 per ordinary share (discount of 3.0% to closing price on date of issue)	Amount raised = \$39,557 (rounded up) Amount spent = \$39,557 Use of funds: Exploration drilling and working capital Amount remaining = \$nil
Issue – 14 April 2016 Appendix 3B – 15 April 2016	37,586,973	Shares ²	Clients of Patersons Securities Limited under a placement dated 14 April 2016	\$0.004 per ordinary share (discount of 42.8% to closing price on date of issue)	Amount raised = \$150,348 Amount spent = \$150,348 Use of funds: exploration drilling and working capital Amount remaining = \$nil
Issue – 13 May 2016 Appendix 3B – 15 April 2016	433,358,358	Shares ²	Recipients under an entitlement issue pursuant to a prospectus dated 15 April 2016	\$0.004 per entitlement issue share (discount of 42.8% to closing price on date of issue)	Amount raised = \$1,733,436 Amount spent = \$1,733,436 Use of funds: exploration drilling and working capital Amount remaining = \$nil
Issue – 13 May 2016 Appendix 3B – 15 April 2016	216,679,179	Quoted Options ⁴	Recipients under an entitlement issue pursuant to a prospectus dated 15 April 2016	Nil issue price	Nil Consideration: The Options were free-attaching to Shares on a 1:2 basis. Current value = \$433,358
Issue – 24 May 2016 Appendix 3B – 24 May 2016	6,348,718	Shares ²	Recipients under a placement	\$0.004 per ordinary share (discount of 16.7% to closing price on date of issue)	Amount raised = \$25,395 (rounded up) Amount spent = \$25,395 Use of funds: exploration drilling and working capital Amount remaining = \$nil
Issue – 24 May 2016 Appendix 3B – 24 May 2016	3,178,359	Quoted Options ⁴	Recipients under a placement	Nil issue price	Nil Consideration: The Options were free-attaching to Shares on a 1:2 basis. Current value = \$6,357
Issue – 24 May 2016 Appendix 3B – 24 May 2016	11,500	Shares ²	Optionholder on exercise of Quoted Options	\$0.006 per ordinary share on conversion (premium of 20% to closing price on date of issue)	Amount raised = \$69 Amount spent = \$69 Use of funds: Working capital Amount remaining = \$nil

Date	Quantity	Class	Recipients	Issue price and discount to Market Price (if applicable) ¹	Form of consideration
Issue – 7 June 2016 Appendix 3B – 7 June 2016	88,367	Shares ²	Optionholder on exercise of Quoted Options	\$0.006 per ordinary share (discount of 14.3% to closing price on date of issue)	Amount raised = \$530 Amount spent = \$530 Use of funds: Working capital Amount remaining = \$nil
Issue – 7 June 2016 Appendix 3B – 7 June 2016	63,500	Shares ²	Optionholder on exercise of Quoted Options	\$0.03 per ordinary share (premium of 333% to closing price on date of issue)	Amount raised = \$1,905 Amount spent = \$1,905 Use of funds: Working capital Amount remaining = \$nil
Issue – 17 June 2016 Appendix 3B – 20 June 2016	200,000,000	Shares ²	Recipients under a placement	\$0.007 per ordinary share (nil discount to closing price on date of issue)	Amount raised = \$1,400,000 Amount spent = \$1,400,000 Use of funds: exploration drilling and working capital Amount remaining = \$nil
Issue – 17 June 2016 Appendix 3B – 20 June 2016	500,000	Shares ²	Stuart Middleton as approved at the General Meeting held on 14 June 2016.	Nil issue price (non-cash consideration)	Non-cash Consideration: In lieu of cash payment for services provided to the Company Current value ⁶ = \$2,750
Issue – 17 June 2016 Appendix 3B – 20 June 2016	101	Shares ²	Optionholder on exercise of Quoted Options	\$0.006 per ordinary share on conversion of the Option (discount of 14.3% to closing price on date of issue)	Amount raised = \$0.606 Amount spent = \$0.606 Use of funds: Working capital Amount remaining = \$nil
Issue – 17 June 2016 Appendix 3B – 20 June 2016	18,793,487	Quoted Options ⁴	Clients of Patersons Securities Limited under a placement dated 14 April 2016 as approved at the General Meeting held on 14 June 2016.	Nil issue price	Nil Consideration: The Options were free-attaching to Shares on a 1:2 basis. Current value = \$37,587
Issue – 17 June 2016 Appendix 3B – 20 June 2016	216,679,179	Quoted Options ⁴	Issued to sub-underwriters of the entitlement issue dated 15 April 2016 as approved at the General Meeting held on 14 June 2016.	No issue price (Nil cash consideration)	Non-cash Consideration: Part consideration for services provided in connection with the entitlement issue dated 15 April 2016 Current value = \$433,358

Date	Quantity	Class	Recipients	Issue price and discount to Market Price (if applicable) ¹	Form of consideration
Issue – 11 July 2016 Appendix 3B – 14 July 2016	2,500,000	Shares ²	Recipients under a placement	\$0.004 per ordinary share (discount of 33.33% to closing price on date of issue)	Amount raised = \$10,000 Amount spent = \$10,000 Use of funds: working capital Amount remaining = \$nil
Issue – 11 July 2016 Appendix 3B – 14 July 2016	1,250,000	Quoted Options ⁴	Recipients under a placement	Nil issue price	Non-cash Consideration: The Options were free-attaching to Shares on a 1:2 basis. Current value = \$2,500
Issue – 26 August 2016 Appendix 3B – 1 September 2016)	42,914,142	Shares ²	Recipients under a placement	\$0.007 per ordinary share (premium of 16.7% to closing price on date of issue)	Amount raised = \$300,399 (rounded up) Amount spent = \$nil Amount remaining = \$300,399 Proposed use of remaining funds ⁶ : exploration drilling and working capital
Issue – 26 August 2016 Appendix 3B – 1 September 2016	48,400,000	Unquoted Options ⁵	Patersons Securities Limited	Nil issue price (Non cash consideration)	Non-cash Consideration: The Options were issued as part consideration for acting as lead manager to a placement Current value = \$105,350
Issue – 30 September 2016, 3 October 2016 and 4 October 2016 Appendix 3B – 6 October 2016	275,983,333	Shares ²	Recipients under a placement	\$0.006 per ordinary share (Nil discount to close price on the date of issue)	Amount raised = \$1,655,900 Amount spent = \$149,354 Use of funds: direct cost of issue Amount remaining = \$1,506,546 Proposed use of remaining funds ⁶ : exploration drilling and working capital
Issue – 30 September 2016, 3 October 2016 and 4 October 2016 Appendix 3B – 6 October 2016	91,994,428	Quoted Options ⁴	Recipients under a placement	Nil issue price	Nil Consideration: The Options were free-attaching to Shares on a 1:3 basis. Current value = \$183,989
Issue – 30 September 2016, 3 October 2016 and 4 October	18,334	Shares ²	Optionholder on exercise of Quoted Options	\$0.006 per ordinary share on conversion of the Option	Amount raised = \$110 Amount spent = \$110 Amount remaining =

Date	Quantity	Class	Recipients	Issue price and discount to Market Price (if applicable) ¹	Form of consideration
2016 Appendix 3B – 6 October 2016				(nil discount to closing price on date of issue)	\$110 Proposed use of remaining funds ⁶ : Working capital

Notes:

1. Market Price means the closing price on ASX (excluding special crossings, overnight sales and exchange traded option exercises). For the purposes of this table the discount is calculated on the Market Price on the last trading day on which a sale was recorded prior to the date of issue of the relevant Equity Securities.
2. Fully paid ordinary shares in the capital of the Company, ASX Code: AKK (terms are set out in the Constitution).
3. Quoted Options, exercisable at \$0.03 each, on or before 18 September 2017 (ASX Code: AKKO).
4. Quoted Options, exercisable at \$0.006 each, on or before 30 June 2019 (ASX Code: AKKOA).
5. Unquoted Options, exercisable at \$0.01 each, on or before 30 June 2019. The full terms and conditions were disclosed in the notice of meeting for the shareholder meeting held on 9 August 2016.
6. This is a statement of current intentions as at the date of this Notice. As with any budget, intervening events and new circumstances have the potential to affect the manner in which the funds are ultimately applied. The Board reserves the right to alter the way the funds are applied on this basis.
7. In respect of quoted Equity Securities the value is based on the closing price of the Shares (\$0.0055) or AKKO Options (\$0.002) or AKKOA Options (\$0.002) (as the context requires) on the ASX on 7 October 2016. In respect of unquoted Equity Securities the value of Options is measured using the Black & Scholes option pricing model. Measurement inputs include the Share price on the measurement date, the exercise price, the term of the Option, the impact of dilution, the expected volatility of the underlying Share (based on weighted average historic volatility adjusted for changes expected due to publicly available information), the expected dividend yield and the risk free interest rate for the term of the Option. No account is taken of any performance conditions included in the terms of the Option other than market based performance conditions (i.e. conditions linked to the price of Shares).



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YOUR VOTE IS IMPORTANT

For your vote to be effective it must be recorded **before 12:00pm AEDT on Saturday, 19 November 2016.**

🖥 TO VOTE ONLINE

- STEP 1: VISIT** www.votingonline.com.au/akkagm2016
- STEP 2: Enter your Postcode OR Country of Residence (if outside Australia)**
- STEP 3: Enter your Voting Access Code (VAC):**

📱 BY SMARTPHONE



Scan QR Code using smartphone
QR Reader App

TO VOTE BY COMPLETING THE PROXY FORM

STEP 1 APPOINTMENT OF PROXY

Indicate who you want to appoint as your Proxy.

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

Appointment of a Second Proxy

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

To appoint a second proxy you must:

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

STEP 2 VOTING DIRECTIONS TO YOUR PROXY

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

Proxy which is a Body Corporate

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

STEP 3 SIGN THE FORM

The form **must** be signed as follows:

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

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

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

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

STEP 4 LODGEMENT

Proxy forms (and any Power of Attorney under which it is signed) must be received no later than 48 hours before the commencement of the meeting, therefore by **12:00pm AEDT on Saturday, 19 November 2016.** Any Proxy Form received after that time will not be valid for the scheduled meeting.

Proxy forms may be lodged using the enclosed Reply Paid Envelope or:

- 🖥 **Online** www.votingonline.com.au/akkagm2016
- 📠 **By Fax** + 61 2 9290 9655
- ✉ **By Mail** Boardroom Pty Limited
GPO Box 3993,
Sydney NSW 2001 Australia
- 👤 **In Person** Boardroom Pty Limited
Level 12, 225 George Street,
Sydney NSW 2000 Australia
- @ **By Email** robert@coysec.com.au

Attending the Meeting

If you wish to attend the meeting please bring this form with you to assist registration.

Austin Exploration Limited

ACN 114 198 471

Your Address

This is your address as it appears on the company's share register. If this is incorrect, please mark the box with an "X" and make the correction in the space to the left. Securityholders sponsored by a broker should advise their broker of any changes. **Please note, you cannot change ownership of your securities using this form.**

PROXY FORM

STEP 1 APPOINT A PROXY

I/We being a member/s of **Austin Exploration Limited** (Company) and entitled to attend and vote hereby appoint:

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

OR if you are **NOT** appointing the Chair of the Meeting as your proxy, please write the name of the person or body corporate (excluding the registered shareholder) you are appointing as your proxy below

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chair of the Meeting as my/our proxy at the Annual General Meeting of the Company to be held at **Boardroom Pty Limited, Level 12, 225 George Street, Sydney NSW 2000 on Monday, 21 November 2016 at 12:00pm AEDT** and at any adjournment of that meeting, to act on my/our behalf and to vote in accordance with the following directions or if no directions have been given, as the proxy sees fit.

Chair of the Meeting authorised to exercise undirected proxies on remuneration related matters: If I/we have appointed the Chair of the Meeting as my/our proxy or the Chair of the Meeting becomes my/our proxy by default and I/we have not directed my/our proxy how to vote in respect of Resolutions 1 & 4, I/we expressly authorise the Chair of the Meeting to exercise my/our proxy in respect of these Resolutions even though Resolutions 1 & 4 are connected with the remuneration of a member of the key management personnel for the Company.

The Chair of the Meeting will vote all undirected proxies in favour of all Items of business (including Resolutions 1 & 4). If you wish to appoint the Chair of the Meeting as your proxy with a direction to vote against, or to abstain from voting on an item, you must provide a direction by marking the 'Against' or 'Abstain' box opposite that resolution.

STEP 2 VOTING DIRECTIONS

* 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 vote will not be counted in calculating the required majority if a poll is called.

		For	Against	Abstain*
Resolution 1	ADOPTION OF REMUNERATION REPORT	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	RE-ELECTION OF DIRECTOR – GUY GOUDY	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	ELECTION OF DIRECTOR – ANDREW BLOW	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	ISSUE OF SHARES TO RELATED PARTY – ANDREW BLOW	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5	RATIFICATION OF PRIOR ISSUE – TRANCHE 2 OF JUNE PLACEMENT	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6	RATIFICATION OF PRIOR ISSUE – JULY PLACEMENT	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 7	RATIFICATION OF PRIOR ISSUE – SEPTEMBER PLACEMENT	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 8	RATIFICATION OF PRIOR ISSUE – SEPTEMBER PLACEMENT	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 9	ISSUE OF OPTIONS TO BROKER	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 10	APPROVAL OF 10% PLACEMENT CAPACITY	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

STEP 3 SIGNATURE OF SHAREHOLDERS
This form must be signed to enable your directions to be implemented.

Individual or Securityholder 1	Securityholder 2	Securityholder 3
Sole Director and Sole Company Secretary	Director	Director / Company Secretary