



27 July 2021

## CONSOLIDATION AND GENERAL MEETING

**Calima Energy Limited (ASX:CE1) (“Calima” or the “Company”)** advises that the Company is proceeding with a 20:1 consolidation of its share structure.

Following completion of the C\$65 million acquisition of Blackspur Oil Corp the number of Calima shares on issue increased from 2.2 billion to 10.2 billion.

The Consolidation has been recommended on the basis that it will reduce the number of shares on issue, creating a more efficient capital structure. The share price will also increase, with the expectation that Calima shares will subsequently be more appealing to a wider range of investors.

The Board is committed to maintaining a strong balance sheet, increasing oil and gas production and delivering enhanced shareholder returns through the generation of significant free cashflow.

The attached Notice of Meeting includes a resolution seeking Shareholder approval for the Company to undertake a consolidation of the number of Shares on issue on the basis that every twenty (20) Shares held be consolidated into one (1) Share (Consolidation).

Similarly, the number of Options and Performance rights will be consolidated on the basis of one (1) security for every twenty (20) securities held and the exercise price of such Securities will increase according to the ratio of the Consolidation.

The result of the Consolidation is that each Security holding will be reduced by 20 times its current level. Each Shareholder’s proportional interest in the Company’s share capital will remain unchanged as a result of the Consolidation. Any fractional entitlements of Security holders as a consequence of the Consolidation will be rounded up.

The change in capital structure of the Company following the Consolidation, which is subject to adjustments for rounding of fractional entitlements, is set out in the table below.

	Number on issue (pre Consolidation)	Number on issue (post Consolidation)
Shares	10,274,055,901	513,702,795
Options <sup>1</sup>	433,250,000	21,662,500
Performance Rights <sup>1</sup>	165,450,000	8,272,500

1. Including a total of 56,000,00 Incentive Options and 30,000,00 Class C Performance Rights which are subject to shareholder approval.

The Consolidation will have no effect on the underlying value of the Company, and, subject to rounding, it will have no material effect on the percentage interest of each individual Security holder.

As the Consolidation applies equally to all shareholders, individual shareholdings will be reduced in the same ratio as the total number of Shares (subject to rounding).



The effect of the Consolidation on the Share price should (all things being equal) be that the shares trade at twenty (20) times the price at which Shares previously traded. On the assumption the Stock commences trading at 20c (i.e. \$0.01 pre-recon) any movement will result in minimum trading price movements of ~2.5%, as the price increases the variation in market cap reduces, i.e. at 22-22.5c is 2.27%.

It is not considered that any taxation implications will arise for security holders because of the Consolidation. The cost base of the shares held after the Consolidation will be the same as that pre-consolidation. Likewise, the acquisition date of shares will also not change. Security holders however should consider their own circumstances and seek their own professional advice in relation to their tax position. Neither Calima nor any of its officers or employees assumes any liability or responsibility for the individual security holder taxation implications arising from the Consolidation.

The Consolidation will take effect from the first Business Day after Shareholder approval is received (i.e. 30 August 2021). From the date two business days after the Consolidation is approved, all existing holding statements will cease to have any effect, except as evidence of entitlement to a certain number of shares on a post- consolidation basis. New holding statements will be issued to security holders, with responsibility sitting with each security holder to check the number of shares held prior to any disposal or exercise (as the case may be).

Based upon the above, an indicative timetable assuming Shareholder approval is obtained will be as follows:

Date	Event
Monday, 30 August 2021	Following Shareholder approval Company announces effective date of the Consolidation.
Tuesday, 31 August 2021	Effective Date
Wednesday, 1 September 2021	Last day for trading in pre-Consolidation Shares.
Thursday, 2 September 2021	Trading in post-Consolidation Shares commences on a deferred settlement basis.
Friday, 3 September 2021	Record Date Last day to register transfers on a pre-Consolidation basis.
Monday, 6 September 2021	First day for Company to update register and send security holding statements or certificates (as applicable) to Security holders reflecting the change in the number of Securities held.
Friday, 10 September 2021	Last day for Company to update register and send security holding statements or certificates (as applicable) to Security holders reflecting the change in the number of Securities held and notify ASX that this has occurred.

This release has been approved by the Board.

For further information visit [www.calimaenergy.com](http://www.calimaenergy.com) or contact:

**Jordan Kevol**

CEO and President

E: [jkevol@blackspuroil.com](mailto:jkevol@blackspuroil.com)

T:+ 1-403-460-0031

**Glenn Whiddon**

Chairman

E: [glenn@lagral.com](mailto:glenn@lagral.com)

T:+ 61 410 612 920

**Mark Freeman**

CFO

E: [mfreeman@calimaenergy.com](mailto:mfreeman@calimaenergy.com)

T: + 61 412 692 146



## UPCOMING GENERAL MEETING

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Dear Shareholder,

Calima Energy Limited (ASX: **CE1**, **Calima** or the **Company**) will be holding its general meeting at 10:00am (AWST) on 30 August 2021 at Suite 4, 246-250 Railway Parade, West Leederville, WA 6007 (the Meeting).

Further, in accordance with the now ceased Corporations (Coronavirus Economic Response) Determination (No 3) 2020 (**Determination**), Treasury Laws Amendment (2021 Measures (No. 1) Bill 2021 (Bill) and ASIC's "no action" position published on 29 March 2021 supporting (amongst other things) the convening of meetings using electronic notice of meetings as was permitted under the Determination and as proposed under the Bill, the Company will not be dispatching physical copies of the Notice of Meeting (**Notice**). Instead, a copy of the Notice can be viewed and downloaded online under the "ASX Announcements" section of the Company website at [www.calimaenergy.com.au](http://www.calimaenergy.com.au).

### VOTING IN PERSON

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

### VOTING BY PROXY

As you have not elected to receive notice by email, a copy of your personalized proxy form is enclosed for your convenience. Please complete and return the proxy form to the Company's share registry, Computershare Investor Services, using any of the following methods:

Online at [www.investorvote.com.au](http://www.investorvote.com.au)

By mobile follow the instructions outlined on your proxy form attached

By fax 1800 783 447 within Australia +61 3 9473 2555 outside Australia

By mail Computershare Investor Services Pty Limited GPO Box 242, Melbourne VIC 3001, Australia

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 two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the shareholder appoints two proxies and the appointment does not specify the proportion or number of the shareholder's votes, then in accordance with section 249X(3) of the Corporations Act, each proxy may exercise one-half of the votes.

Proxy Forms must be received by 10:00am (WST) 28 August 2021.

Should you wish to discuss the matters in the Notice of Meeting, please contact the Company Secretary by telephone at +61 8 6500 3270.

If COVID-19 social distancing restrictions change prior to the Meeting, the Company will advise via an ASX announcement as to any changes in the manner in which the Meeting will be held and as to whether shareholders will still be able to attend in person and participate in the usual way.



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**CALIMA ENERGY LIMITED**

ACN 117 227 086

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**NOTICE OF EXTRAORDINARY GENERAL MEETING**

**A General meeting of the Company will be held at Suite 4, 246-250 Railway Parade, West Leederville, Western Australia on Monday, 30 August 2021 at 10:00 am (WST).**

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*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 accountant, solicitor or other professional adviser prior to voting.*

***Should you wish to discuss any matter please do not hesitate to contact the Company Secretary on +61 (8) 6500 3270.***

# CALIMA ENERGY LIMITED

ACN 117 227 086

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## NOTICE OF EXTRAORDINARY GENERAL MEETING

Notice is hereby given that An Extraordinary General meeting of Shareholders of Calima Energy Limited (**Company**) will be held at Suite 4, 246-250 Railway Parade, West Leederville, Western Australia on Monday, 30 August 2021 at 10:00am (WST) (**Meeting**).

The Explanatory Memorandum to this Notice provides additional information on matters to be considered at the Meeting. The Explanatory Memorandum and the Proxy Form form part of this Notice.

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 as Shareholders on Thursday, 26 August 2021 at 5:00pm (WST).

Terms and abbreviations used in this Notice and Explanatory Memorandum are defined in Section 5.

## AGENDA

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### 1. Resolution 1 – Approval of Consolidation

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

*"That, for the purposes of section 254H of the Corporations Act, Article 10.1(b) of the Constitution and for all other purposes, Shareholders approve and authorise the Directors to consolidate the issued capital of the Company on the basis that every twenty (20) Shares on issue be consolidated into one (1) Share and all Options and Performance Rights on issue (including the Incentive Securities the subject of this Notice) be adjusted in accordance with the Listing Rules with effect from the Effective Date (**Consolidation**)."*

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### 2. Resolution 2 – Approval to grant Performance Rights to Glenn Whiddon

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

*"That, for the purposes of Listing Rule 10.14 and for all other purposes, Shareholders approve and authorise the grant of 30,000,000 Class C Performance Rights on a pre-Consolidation basis (1,500,000 Class C Performance Rights on a post-Consolidation basis) to Glenn Whiddon (or his nominees) under the Calima Employee Securities Incentive Plan on the terms and conditions set out in the Explanatory Memorandum."*

#### Voting Exclusion

The Company will disregard any votes cast in favour of this Resolution by or on behalf of a Director who is eligible to participate in the Calima Employee Securities Incentive Plan and their nominees or any associates of those persons.

However, this does not apply to a vote cast in favour of this Resolution by:

- (a) a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way; or
  - (b) the Chair of the Meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
  - (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
    - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
    - (ii) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.
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### **3. Resolution 3 – Approval to grant Incentive Options to Jordan Kevol**

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

*“That, for the purposes of Listing Rule 10.14 and for all other purposes, Shareholders approve and authorise the grant of 50,000,000 Incentive Options (each exercisable at \$0.01 on or before 30 April 2026) on a pre-Consolidation basis (equivalent to 2,500,000 Incentive Options each exercisable at \$0.20 expiring 30 April 2026 on a post-Consolidation basis) to Jordan Kevol (or his nominees) under the Calima Employee Securities Incentive Plan on the terms and conditions set out in the Explanatory Memorandum.”*

#### **Voting Exclusion**

The Company will disregard any votes cast in favour of this Resolution by or on behalf of a Director who is eligible to participate in the Calima Employee Securities Incentive Plan and their nominees or any associates of those persons.

However, this does not apply to a vote cast in favour of this Resolution by:

- (a) a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way; or
  - (b) the Chair of the Meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
  - (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
    - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
    - (ii) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.
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### **4. Resolution 4 – Approval to grant Incentive Options to Lonny Tetley**

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

*“That, for the purposes of Listing Rule 10.14 and for all other purposes, Shareholders approve and authorise the grant of 6,000,000 Incentive Options (each exercisable at \$0.01 on or before 30 April 2026) on a pre-Consolidation basis (equivalent to 300,000 Incentive Options each exercisable at \$0.20 expiring 30 April 2026 on a post-Consolidation basis) to Patrick (Lonny) Tetley (or his nominees) under the Calima Employee Securities Incentive Plan on the terms and conditions set out in the Explanatory Memorandum.”*

#### **Voting Exclusion**

The Company will disregard any votes cast in favour of this Resolution by or on behalf of a Director who is eligible to participate in the Calima Employee Securities Incentive Plan and their nominees or any associates of those persons.

However, this does not apply to a vote cast in favour of this Resolution by:

- (a) a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way; or
- (b) the Chair of the Meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
  - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
  - (ii) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

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## **5. Resolution 5 – Ratification of prior issue of Shares to StocksDigital under Listing Rule 7.1 capacity**

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

*“That, for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders approve and ratify the prior issue of 3,500,000 Shares to StocksDigital in lieu of cash payment for services provided to the Company on the terms and conditions set out in the Explanatory Memorandum.”*

#### **Voting Exclusion**

The Company will disregard any votes cast in favour of this Resolution by or on behalf of StocksDigital or any associates of those persons.

However, this does not apply to a vote cast in favour of this Resolution by:

- (a) a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way; or
- (b) the Chair of the Meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
  - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and

- (ii) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Dated 28 July 2021

**BY ORDER OF THE BOARD**

Glenn Whiddon  
**Executive Chairman**



# CALIMA ENERGY LIMITED

ACN 117 227 086

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## EXPLANATORY MEMORANDUM

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### 1. Introduction

This Explanatory Memorandum has been prepared for the information of Shareholders in connection with the business to be conducted at the Meeting to be held at Suite 4, 246-250 Railway Parade, West Leederville, Western Australia on Monday, 30 August 2021 at 10:00am (WST).

This Explanatory Memorandum should be read in conjunction with, and forms part of, the accompanying Notice. The purpose of this Explanatory Memorandum is to provide information to Shareholders in deciding whether or not to pass the Resolutions set out in the Notice.

A Proxy Form is located at the end of the Explanatory Memorandum.

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### 2. Action to be taken by Shareholders

Shareholders should read the Notice and this Explanatory Memorandum carefully before deciding how to vote on the Resolutions.

#### 2.1 Proxies

A Proxy Form is attached to the Notice. This is to be used by Shareholders if they wish to appoint a representative (a 'proxy') to vote in their place. All Shareholders are invited and encouraged to attend the Meeting or, if they are unable to attend in person, sign and return the Proxy Form to the Company in accordance with the instructions thereon. Lodgment of a Proxy Form will not preclude a Shareholder from attending and voting at the Meeting in person.

Please note that:

- (a) a member of the Company entitled to attend and vote at the Meeting is entitled to appoint a proxy;
- (b) a proxy need not be a member of the Company; and
- (c) a member of the Company entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise, but where the proportion or number is not specified, each proxy may exercise half of the votes.

The enclosed Proxy Form provides further details on appointing proxies and lodging Proxy Forms.

#### 2.2 Voting Prohibition by Proxy Holders

In accordance with section 250BD of the Corporations Act, a person appointed as a proxy must not vote on the basis of that appointment on Resolutions 2, 3 and 4 if:

- (a) the person is either:

- (i) a member of the Key Management Personnel of the Company; 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 the Resolution.

However, the prohibition does not apply if:

- (c) the proxy is the Chair of the Meeting; and
- (d) the appointment expressly authorises the Chair of the Meeting to exercise the proxy even if the Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel of the Company.

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### 3. Resolution 1 – Approval of Consolidation

As announced on 26 April 2021, Calima completed the C\$65 million acquisition of Blackspur Oil Corp (**BSO**), which resulted in the number of the Company's total Shares on issue increasing from 2.2 billion to 10.2 billion shares following the raising of \$38 million to fund the BSO acquisition and the issue of C\$16.5 million worth of shares to the vendors of BSO. As a result the Company is presently trading in a range of 0.8c to 1.1c. Any increase or reduction in Share price by the smallest increment creates a movement in excess of 13-14% in the market capitalisation of the Company.

The Directors believe that such significant market cap movements are restricting the market from being able to truly value the Company's assets and trade in reasonable volumes.

Along with the acquisition of BSO, the Board has committed to maintaining a strong balance sheet, accelerating oil and gas growth and delivering enhanced shareholder returns through significant increasing free cashflow. The Directors consider a consolidation of its capital will potentially result in a Share price that is appealing to a wider range of domestic and international investors.

Article 10.1(b) of the Constitution provides that the Company may by ordinary resolution consolidate its Securities.

Resolution 1 seeks Shareholder approval for the Company to undertake a consolidation of the number of Shares on issue on the basis that every twenty (20) Shares held be consolidated into one (1) Share (**Consolidation**).

Similarly the number of Options on issue (including the Incentive Options the subject of Resolutions 3 and 4) will be consolidated on the basis of one (1) Option for every twenty (20) Options held and the exercise price of such Options will increase according to the ratio of the Consolidation, in accordance with the terms of the Options and Listing Rule 7.22.1.

Performance Rights on issue (including the Class C Performance Rights the subject of Resolution 2) will also be consolidated on the basis of one (1) Performance Rights for every twenty (20) Performance Right held. Any vesting conditions or performance milestones based on the Share price will have such Share price increased according to the ratio of the Consolidation, in accordance with the terms of the Performance Rights and Listing Rule 7.21.

The result of the Consolidation is that each Security holding will be reduced by 20 times its current level. Each Shareholder's proportional interest in the Company's share capital will remain unchanged as a result of the Consolidation. Any fractional entitlements of Security holders as a consequence of the Consolidation will be rounded up.

The change in capital structure of the Company following the Consolidation, which is subject to adjustments for rounding of fractional entitlements, is set out in the table below. This table assumes that no Securities are issued (other than as contemplated by this Notice of Meeting) and no Options or Rights are exercised. Changes to key terms of the Securities pre and post Consolidation are detailed in Schedule 3.

	<b>Number on issue (pre Consolidation)</b>	<b>Number on issue (post Consolidation)</b>
Shares	10,274,055,901	513,702,795
Options	433,250,000 <sup>1</sup>	21,662,500
Performance Rights	165,450,000 <sup>2</sup>	8,272,500

**Notes:**

1. Including a total of 56,000,00 Incentive Options the subject of Resolutions 3 and 4.
2. Including 30,000,00 Class C Performance Rights the subject of Resolution 2.

The Consolidation will have no effect on the underlying value of the Company, and, subject to rounding, it will have no material effect on the percentage interest of each individual Security holder. As the Consolidation applies equally to all shareholders, individual shareholdings will be reduced in the same ratio as the total number of Shares (subject to rounding).

The effect of the Consolidation on the Share price should (all things being equal) be that the shares trade at twenty (20) times the price at which Shares previously traded.

The Consolidation will take effect from the first Business Day after Shareholder approval is received pursuant to the Notice of Meeting (**Effective Date**).

Uncertificated Security holding statements or certificates (as applicable) reflecting the change in the number of Securities held will be sent to Security holders not earlier than the fourth Business Day after the Effective Date and not later than the eighth Business Day after the Effective Date.

Resolution 1 is an ordinary resolution.

Based upon the above, an indicative timetable assuming Shareholder approval is obtained will be as follows:

<b>Date</b>	<b>Event</b>
Monday, 30 August 2021	Following Shareholder approval Company announces effective date of the Consolidation.
Tuesday, 31 August 2021	Effective Date
Wednesday, 1 September 2021	Last day for trading in pre-Consolidation Shares.
Thursday, 2 September 2021	Trading in post-Consolidation Shares commences on a deferred settlement basis.
Friday, 3 September 2021	Record Date Last day to register transfers on a pre-Consolidation basis.

Date	Event
Monday, 6 September 2021	First day for Company to update register and send security holding statements or certificates (as applicable) to Security holders reflecting the change in the number of Securities held.
Friday, 10 September 2021	Last day for Company to update register and send security holding statements or certificates (as applicable) to Security holders reflecting the change in the number of Securities held and notify ASX that this has occurred.

The above timetable is indicative only and subject to change. The Company reserves the right to vary the above dates, subject to the Corporations Act.

**The Directors unanimously recommend that shareholders vote FOR Resolution 1.**

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## 4. Resolutions 2, 3 and 4 – Approval to grant Incentive Securities to Directors

### 4.1 General

The Company is proposing to grant the following Securities to Directors, Glenn Whiddon, Jordan Kevol and Lonny Tetley, under the Plan as follows:

- (a) Glenn Whiddon - 30,000,000 Class C Performance Rights on a pre-Consolidation basis (1,500,000 Class C Performance Rights on a post-Consolidation basis);
- (b) Jordan Kevol - 50,000,000 Incentive Options on a pre-Consolidation basis (2,500,000 Incentive Options on a post-Consolidation basis) comprising:
  - (i) 16,500,000 Class A Options on a pre-Consolidation basis (825,000 Class A Options on a post-Consolidation basis);
  - (ii) 16,500,000 Class B Options on a pre-Consolidation basis (825,000 Class B Options on a post-Consolidation basis); and
  - (iii) 17,000,000 Class C Options on a pre-Consolidation basis (850,000 Class C Options on a post-Consolidation basis); and
- (c) Patrick (Lonny) Tetley - 6,000,000 Incentive Options on a pre-Consolidation basis (300,000 Incentive Options on a post-Consolidation basis) comprising:
  - (i) 1,980,000 Class A Options on a pre-Consolidation basis (99,000 Class A Options on a post-Consolidation basis);
  - (ii) 1,980,000 Class B Options on a pre-Consolidation basis (99,000 Class B Options on a post-Consolidation basis); and
  - (iii) 2,040,000 Class C Options on a pre-Consolidation basis (102,000 Class C Options on a post-Consolidation basis),

(together the **Incentive Securities**).

The Incentive Securities are to be issued to the Directors for nil cash consideration as incentive based remuneration in connection with their role as directors of the Company. The Board

considers that the incentives provided to the Directors represented by the grant of the Incentive Securities is a cost effective and efficient way for the Company to appropriately incentivise and reward the Directors' performance and assist with retaining and motivating the Directors in their current roles, as opposed to alternative forms of incentive such as the payment of cash compensation.

Listing Rule 10.14 provides that a listed company must not permit any of the following persons to acquire equity securities under an employee incentive scheme:

- (d) a director of the company;
- (e) an associate of a director of the company; or
- (f) a person whose relationship with the company or a person referred to in a Listing Rules 10.14.1 to 10.14.2 is such that, in ASX's opinion, the acquisition should be approved by its shareholders,

unless it obtains the approval of its shareholders.

The issue of the Incentive Securities the Directors falls within Listing Rule 10.14.1 and therefore requires Shareholder approval under Listing Rule 10.14.

Resolutions 2, 3 and 4 seek the required Shareholder approval to the issue of the Performance Rights to the Directors under Listing Rule 10.14.

If Resolutions 2, 3 and 4 are passed, the Company will issue the Incentive Securities to the Directors following the Meeting.

If Resolutions 2, 3 and 4 are not passed, the Company will not issue the Incentive Securities to the Directors and the Company will need to determine an alternative form of incentive for the Directors.

Resolutions 2, 3 and 4 are each ordinary resolutions.

## **4.2 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 grant of Incentive Securities to the Directors pursuant to Resolutions 2, 3 and 4 constitutes giving a financial benefit and the Directors are related parties of the Company by virtue of being Directors.

After a review of publicly available information relating to the remuneration structures of ASX listed companies, including those operating in the oil and gas industry, the Directors consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the grant of the above Incentive Securities to the Directors because the grant of these Securities is considered reasonable remuneration in the circumstances.

### 4.3 Information required by Listing Rule 10.15

The following information is provided for the purposes of Listing Rule 10.15:

- (a) The Incentive Securities will be granted to the Directors, Glenn Whiddon, Jordan Kevol and Patrick (Lonny) Tetley (or their respective nominees).
- (b) The Directors are each a related party of the Company falling within the category of Listing Rule 10.14.1 by virtue of being Directors.
- (c) The maximum number of Incentive Securities that the Company may issue under Resolutions 2, 3 and 4 are:

#### On a pre-Consolidation basis

- (i) 30,000,000 Class C Performance Rights to be granted to Glenn Whiddon (or his nominees) pursuant to Resolution 2;
- (ii) 50,000,000 Incentive Options (comprising 16,500,000 Class A Options, 16,500,000 Class B Options and 17,000,000 Class C Options) to be granted to Jordan Kevol (or his nominees) pursuant to Resolution 3; and
- (iii) 6,000,000 Incentive Options (comprising 1,980,000 Class A Options, 1,980,000 Class B Options and 2,040,000 Class C Options) to be granted to Patrick (Lonny) Tetley (or his nominees) pursuant to Resolution 4.

#### On a post-Consolidation basis

- (iv) 1,500,000 Class C Performance Rights to be granted to Glenn Whiddon (or his nominees) pursuant to Resolution 2;
  - (v) 2,500,000 Incentive Options (comprising 825,000 Class A Options, 825,000 Class B Options and 850,000 Class C Options) to be granted to Jordan Kevol (or his nominees) pursuant to Resolution 3; and
  - (vi) 300,000 Incentive Options (comprising 99,000 Class A Options, 99,000 Class B Options and 102,000 Class C Options) to be granted to Patrick (Lonny) Tetley (or his nominees) pursuant to Resolution 4.
- (d) The key terms of the Incentive Securities are as follows:

#### Class C Performance Rights

- (i) Class C Performance Rights will vest as follows:

<b>Vesting Condition</b>	<b>Expiry Date</b>
<u>Pre-Consolidation</u> The VWAP of Shares trading on the ASX being at least 1.5 cents over 20 consecutive trading days (on which Shares have actually traded).	30 April 2026
<u>Post-Consolidation</u> The VWAP of Shares trading on the ASX being at least 30 cents over 20 consecutive trading days (on which Shares have actually traded).	

- (ii) The Class C Performance Rights will each convert into a Share for no consideration on exercise by the holder once vested.
- (iii) If a vesting condition of a Class C Performance Right is not achieved by 5:00pm on the Expiry Date then the Performance Right will expire. An unvested Class C Performance Right will also expire if the Participant ceases to be an Eligible Participant for the purposes of the Incentive Plan, unless otherwise determined by the Board in its discretion.
- (iv) If a Change of Control Event occurs prior to the expiry or conversion of a Class C Performance Right, then the Class C Performance Right will automatically convert into a Share.
- (v) Further terms and conditions of the Class C Performance Rights are set out in Schedule 1.

#### Incentive Options

- (vi) The Incentive Options are each exercisable at \$0.01 pre Consolidation (\$0.20 post-Consolidation) on or before 5:00pm on 30 April 2026.
- (vii) The Incentive Options will vest as follows:

<b>Class</b>	<b>Vesting Condition</b>	<b>Expiry Date</b>
Class A	Continued service of the holder as a director, consultant or employee of the Company up to 30 April 2022.	30 April 2026
Class B	Continued service of the holder as a director, consultant or employee of the Company up to 30 April 2023.	30 April 2026
Class C	Continued service of the holder as a director, consultant or employee of the Company up to 30 April 2024.	30 April 2026

- (viii) An unexercised Incentive Option will lapse or be forfeited if the Participant ceases to be an Eligible Participant for the purposes of the Incentive Plan, unless otherwise determined by the Board in its discretion.
  - (ix) If a Change of Control Event occurs prior to the expiry of an Incentive Option, then the Incentive Option will automatically vest and become exercisable.
  - (x) Further terms and conditions of the Incentive Options are set out in Schedule 2.
- (e) Shares issued on exercise or conversion (as applicable) of the Incentive Securities will be fully paid ordinary shares in the capital of the Company and will rank equally in all respects with the Company's existing Shares on issue.
  - (f) The Incentive Securities may be granted no later than three years after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules).

- (g) The Incentive Securities will be granted for nil consideration as they are being issued as incentive based remuneration. Accordingly, no funds will be raised from the grant of the Incentive Securities.
- (h) The Directors each receive the following total annual remuneration packages:
- (i) Mr Kevol receives annual remuneration of C\$225,000 (approx. \$242,000) plus employee group and health benefits of C\$7,000 (approx. \$7,500) for his appointment and services as Managing Director of the Company;
  - (ii) Mr Tetley receives \$36,000 per annum in Director's fees; and
  - (iii) Mr Whiddon receives \$36,000 per annum in Director's fees and a day rate of \$1,600 per day for any services provided in addition to the services expected to be provided by him as a non-executive Director. In financial year 2020 (ending 31 December 2020) Mr Whiddon, as directors fees and consulting services, received \$36,214 in cash consideration and \$114,646 in ordinary fully paid shares in lieu of cash remuneration in accordance with shareholder approval dated 29 May 2020.
- (i) Details of any Securities issued under the Incentive Plan will be published in the annual report of the Company relating to a period in which they were issued, along with a statement that approval for the issue was obtained under Listing Rule 10.14.
- Any additional persons covered by Listing Rule 10.14 who become entitled to participate in the Incentive Plan after Resolutions 2, 3 and 4 are approved and who were not named in the Notice will not participate until approval is obtained under Listing Rule 10.14.
- (j) A voting exclusion statement is included in the Notice.

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## **5. Resolution 5 – Ratification of prior issue of Shares to StocksDigital under Listing Rule 7.1 capacity**

### **5.1 General**

On 2 October 2020, the Company issued 3,500,000 Shares to StocksDigital in lieu of cash payment for ad-hoc marketing services provided to the Company, using the Company's annual limit permitted under Listing Rule 7.1 without the need for Shareholder approval.

The Company wishes to retain as much flexibility as possible to issue additional equity securities in the future without having to obtain Shareholder approval for such issues under Listing Rule 7.1.

Accordingly, Resolution 5 seeks Shareholder ratification of the issue of 3,500,000 Shares issued to StocksDigital under and for the purposes of Listing Rule 7.4.

If Resolution 5 is passed, the issue of the 3,500,000 Shares issued to StocksDigital will be excluded in calculating the Company's 15% limit in Listing Rule 7.1, effectively increasing the number of equity securities it can issue without Shareholder approval over the 12 month period following the date of issue of these Shares.

If Resolution 5 is not passed, the issue of the 3,500,000 Shares issued to StocksDigital will be included in calculating the Company's 15% limit in Listing Rule 7.1, effectively decreasing the



number of equity securities it can issue without Shareholder approval over the 12 month period following the date of issue of these Shares.

Resolution 5 is an ordinary resolution.

## 5.2 Information required by Listing Rule 7.5

The following information is provided for the purposes of Listing Rule 7.5:

- (a) 3,500,000 Shares were issued to StocksDigital on 2 October 2020.
- (b) The Shares are fully paid ordinary shares in the capital of the Company and rank equally in all respects with the Company's existing Shares on issue.
- (c) The Shares were issued for nil cash consideration in lieu of cash payment in the amount of \$25,000 for ad hoc marketing services provided to the Company by StocksDigital on a one-time basis. The Company and StocksDigital agreed for payment to be made in Shares rather than cash. The issue of the Shares satisfied the Company's total liability to StocksDigital in the amount of A\$25,000.
- (d) A voting exclusion statement is included in the Notice.

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## 6. Definitions

**\$** means Australian Dollars.

**ASIC** means Australian Securities and Investments Commission.

**ASX** means ASX Limited (ACN 008 624 691) and, where the context permits, the Australian Securities Exchange operated by ASX.

**Board** means the board of Directors.

**C\$** means Canadian dollars.

**Chair** means the chair of this Meeting.

**Class A Options** means an Option issued under the Incentive Plan exercisable at \$0.01 pre-Consolidation (\$0.20 post-Consolidation) on or before 30 April 2026 and otherwise on the terms and conditions in Schedule 2.

**Class B Options** means an Option issued under the Incentive Plan exercisable at \$0.01 pre-Consolidation (\$0.20 post-Consolidation) on or before 30 April 2026 and otherwise on the terms and conditions in Schedule 2.

**Class C Options** means an Option issued under the Incentive Plan exercisable at \$0.01 pre-Consolidation (\$0.20 post-Consolidation) on or before 30 April 2026 and otherwise on the terms and conditions in Schedule 2.

**Class C Performance Right** means a Performance Right issued under the Incentive Plan on the terms and conditions summarised in Schedule 1.

**Closely Related Party** has the meaning in section 9 of the Corporations Act.

**Company** or **Calima** means Calima Energy Limited ACN 117 227 086.

**Consolidation** has the meaning given in Section 3.

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

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

**Director** means a director of the Company.

**Equity Securities** has the same meaning as in the Listing Rules.

**Explanatory Memorandum** means the explanatory memorandum attached to the Notice.

**Incentive Options** means the Class A Options, Class B Options and Class C Options.

**Incentive Plan** or **Calima Employee Securities Incentive Plan** means the employee incentive scheme adopted by the Company at the Company's 2020 annual general meeting.

**Key Management Personnel** means a person having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any Director (whether executive or otherwise) of the Company.

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

**Meeting** or **Meeting** has the meaning in the introductory paragraph of the Notice.

**Non-Executive Director** means a non-executive director of the Company.

**Notice** means this notice of meeting.

**Option** means an option to acquire a Share.

**Incentive Securities** has the meaning given in Section 4.1.

**Performance Right** means a right to acquire a Share on the satisfaction of certain performance milestones.

**Proxy Form** means the proxy form attached to the Notice.

**Resolution** means a resolution contained in this Notice.

**Schedule** means a schedule to this Notice.

**Section** means a section contained in this Explanatory Memorandum.

**Securities** means Shares, Options and Performance Rights.

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

**Shareholder** means a shareholder of the Company.

**StocksDigital** means S3 Consortium Pty Ltd trading as StocksDigital.

**Trading Day** means a day determined by ASX to be a trading day in accordance with the Listing Rules.

**VWAP** means volume weighted average price.

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

In this Notice, words importing the singular include the plural and vice versa.

## Schedule 1 – Terms and conditions of Class C Performance Rights

### Definitions

In these terms and conditions, unless the context otherwise requires:

**ASX** means ASX Limited ACN 008 624 691 or, where the context requires, the financial market operated by it.

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

**Business Day** means a day (other than a Saturday, Sunday or public holiday) on which banks are open for general banking business in Perth, Australia.

**Change of Control Event** has the meaning given in condition 14(b).

**Company** means Calima Energy Limited ACN 117 227 086.

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

**Expiry Date** means 5pm (WST) on the date in condition 2.

**Holder** means a holder of a Performance Right.

**Listing Rules** means the official Listing Rules of the ASX as they apply to the Company from time to time.

**Performance Right** means the right to acquire a Share on these terms and conditions.

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

**Vesting Condition** has the meaning given in condition 2.

**VWAP** means volume weighted average price.

The Class C Performance Rights (**Performance Rights**) are granted in accordance with, and subject to the Calima Employee Incentive Securities Plan. The material terms and conditions of the Performance Rights are as follows:

1. Performance Rights

Each Performance Right is a right of the Holder (and/or its nominees) to acquire a Share subject to these terms and conditions.

2. Vesting Condition

100% of the Performance Rights will vest as follows:

Tranche	Vesting Condition	Expiry Date
Class C Performance Rights	The VWAP of Shares trading on the ASX being at least 1.5 cents (30 cents following the Company's 20-for-1 consolidation) over 20 consecutive trading days (on which Shares have actually traded).	30 April 2026

3. Exercise

Upon the Vesting Condition being satisfied, the Holder may exercise a Performance Right by delivering a written notice of exercise (**Notice of Exercise**) to the Company Secretary at any time prior to the Expiry Date. The Holder is not required to pay a fee in order to exercise Performance Rights.

#### 4. Expiry

Any Performance Rights that have not been exercised prior to the Expiry Date will automatically expire on the Expiry Date or upon the Holder leaving the Company.

#### 5. Transfer

A Performance Right is not transferable, other than to a trust or superannuation fund of which the Holder is a beneficiary.

#### 6. Entitlements and bonus issues

The Holder of a Performance Right will not be entitled to participate in new issues of capital offered to holders of Shares such as bonus issues and entitlement issues.

#### 7. Reorganisation of capital

In the event that the issued capital of the Company is reconstructed, all the Holder's rights will be changed to the extent necessary to comply with the Listing Rules at the time of reorganisation provided that, subject to compliance with the Listing Rules, following such reorganisation the Holder's economic and other rights are not diminished or terminated.

#### 8. Right to receive Notices and attend general meetings

Each Performance Right confers on the Holder the right to receive notices of general meetings and financial reports and accounts of the Company that are circulated to Shareholders. A Holder has the right to attend general meetings of the Company.

#### 9. Voting rights

A Performance Right does not entitle the Holder to vote on any resolutions proposed at a general meeting of the Company, subject to any voting rights provided under the Corporations Act or the Listing Rules where such rights cannot be excluded by these terms.

#### 10. Dividend rights

A Performance Right does not entitle the Holder to any dividends.

#### 11. Return of capital rights

The Performance Rights do not confer any right to a return of capital, whether in a winding up, upon a reduction of capital or otherwise.

#### 12. Rights on winding up

The Performance Rights have no right to participate in the surplus profits or assets of the Company upon a winding up of the Company.

#### 13. Change in control

- (a) If prior to the earlier of the conversion or the Expiry Date a Change in Control Event occurs, then each Performance Right will automatically and immediately convert into a Share. However, if the number of Shares to be issued as a result of the conversion of the Performance Rights is in excess of 10% of the total fully diluted share capital of the Company at the time of the conversion, then the number of Performance Rights

to be converted will be reduced so that the aggregate number of Shares to be issued on conversion of the Performance Rights is equal to 10% of the entire fully diluted share capital of the Company.

- (b) A Change of Control Event occurs when:
- (i) takeover bid: the occurrence of the offeror under a takeover offer in respect of all Shares announcing that it has achieved acceptances in respect of more than 50.1% of shares and that takeover bid has become unconditional; or
  - (ii) scheme of arrangement: the announcement by the Company that the Shareholders have at a Court-convened meeting of Shareholders voted in favour, by the necessary majority, of a proposed scheme of arrangement under which all Company securities are to be either cancelled transferred to a third party, and the Court, by order, approves the proposed scheme of arrangement.
- (c) The Company must ensure the allocation of shares issued under sub-paragraph (a) is on a pro rata basis to all Holders in respect of their respective holdings of Performance Rights and all remaining Performance Rights held by each Holder will remain on issue until conversion or expiry in accordance with the terms and conditions set out herein.

#### 14. Timing of issue of Shares on exercise

Within 10 Business Days of receiving an Exercise Notice, the Company will:

- (a) issue the number of Shares required under these terms and conditions in respect of the number of Performance Rights specified in the Notice of Exercise;
- (b) 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
- (c) 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 Performance Rights.

#### 15. Compliance with law

The conversion of the Performance Rights is subject to compliance at all times with the Corporations Act and the Listing Rules.

#### 16. Application to ASX

Performance Rights will not be quoted on ASX. On conversion of Performance Rights into Shares, the Company will within five (5) Business Days after the conversion, apply for official quotation on ASX of the Shares issued upon such conversion.

#### 17. Ranking of Shares

Shares into which the Performance Rights will convert will rank parri passu in all respects with existing Shares.

18. Deferred Taxation

Subdivision 83A-C of the Income Tax Assessment Act 1997 (Cth) applies to the Performance Rights (subject to the conditions in that Act).

19. No other rights

A Performance Right does not give a Holder any rights other than those expressly provided by these terms and those provided at law where such rights at law cannot be excluded by these terms.

## Schedule 2 – Terms and conditions of Incentive Options

The Incentive Options (**Options**) are granted in accordance with, and subject to the Calima Employee Incentive Securities Plan. The material terms and conditions of the Options are as follows:

- (i) Each Option entitles the holder to subscribe for one Share in Calima Energy Ltd ("Calima").
- (ii) Application will not be made for Official Quotation of the Options.
- (iii) The Options are issued in accordance with the vesting terms in (v) below and once vested, are exercisable on or before 5pm (Australian WST) on 30 April 2026 ("Expiry Date") by completing an Option exercise form and delivering it to Calima's registered office with the exercise monies.
- (iv) The Option exercise price is AUD\$0.01 per Share on a pre-Consolidation basis (AUD\$0.20 following Calima's 20-for-1 Consolidation).
- (v) Subject to paragraph ((viii)), the Options vest upon and subject to the following milestones being achieved or waived by the Board in its sole discretion (each a "Vesting Condition"):
  - A. Class A options (comprising 33%) to vest on continued employment up to 30 April 2022;
  - B. Class B options (comprising 33%) to vest on continued employment up to 30 April 2023; and
  - C. Class C options (comprising 34%) to vest on continued employment by up to 30 April 2024.The achievement of a Vesting Condition outlined in this paragraph will be determined by the Board from time to time.
- (vi) If a Vesting Condition of an Option is not achieved or waived by the applicable vesting date, then the Option will lapse.
- (vii) The Options are not transferable, without prior approval of the Board.
- (viii) If the Option holder ceases to be either an employee or consultant of the Company by reason of resignation or termination for cause then any unexercised options will automatically lapse or be forfeited (as the case may be) immediately following termination of employment unless the Board determines otherwise. However, all Options will immediately vest and become exercisable in the following circumstances:
  - a. death or total and permanent disablement;
  - b. redundancy;
  - c. retirement; or
  - d. termination by agreement.
- (ix) All Shares issued upon exercise of the Options will rank equally in all respects with Calima then issued Shares. Calima will apply for quotation of the Shares on a Stock Exchange within 3 business days of all Shares issued upon exercise of the Options.
- (x) There are no participating 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. However, Calima will ensure that for the purposes of determining entitlements to any such issue, Option holders will be given reasonable the opportunity to exercise their Options prior to the date for determining entitlements to participate in any such issue.
- (xi) There will be no change to the exercise price of the Options or the number of Shares over which the Options are exercisable in the event of Calima making a pro-rata issue of Shares or other securities to the holders of Shares in Calima (other than a Bonus Issue as defined in paragraph ((xii)) below).
- (xii) If there is a bonus issue ("Bonus Issue") to the holders of Shares in Calima, the number of Shares over which the Options are exercisable will be increased by the number of Shares which the

holder would have received if the options had been exercised before the record date for the Bonus Issue ("Bonus Shares"). The Bonus Shares must be paid up by Calima out of profits or reserves (as the case may be) in the same manner as was applied in the Bonus Issue and upon issue rank equally in all respects with the other shares of the class on issue as at the date of issue of the Bonus Shares.

- (xiii) In the event of a reconstruction (including consolidation, subdivision, return, reduction or pro rata cancellation) of the issued capital of Calima prior to the Expiry Date, the number of Options to which each holder is entitled or the exercise price of the options or both shall be reconstructed (as appropriate) in accordance with the requirements of the Listing Rules which apply at that time.
- (xiv) Calima will at least 20 Business Days before the Expiry Date of the Options send notices to the option holders stating the name of the option holder, the number of options held and the number of Shares to be issued on exercise of the options, the exercise price, the due date for payment and the consequences of non-payment.
- (xv) All Options will automatically vest and may be exercised after a Change of Control Event has occurred.

For the purposes of this clause, a Change of Control Event occurs when:

- a. a change in Control (as defined in section 50AA of the Corporations Act 2001 (Cth)) of the Company;
- b. the announcement by Calima that its shareholders have at a Court convened meeting of shareholders voted in favour, by the necessary majority, of a proposed scheme of arrangement under which all Shares are to be either cancelled, or transferred to a third party, and the Court, by order, approves the proposed scheme of arrangement;
- c. where a person becomes the legal or the beneficial owner of, or has a Relevant Interest in, more than fifty per cent (50%) of Calima's issued capital;
- d. where a person becomes entitled to acquire, hold or has an equitable interest in more than fifty per cent (50%) of Calima's issued capital; and
- e. where a takeover bid is made to acquire more than fifty per cent (50%) of Calima's issued capital (or such lesser number of shares that when combined with the Shares that the bidder (together with its associates) already owns will amount to more than 50% of Calima's issued capital) and the takeover bid becomes unconditional and the bidder (together with its associates) has a Relevant Interest in more than 50% of Calima's issued capital,

but, for the avoidance of doubt, does not include any internal reorganisation of the structure, business and/or assets of Calima.

- (xvi) Subdivision 83A-C of the Income Tax Assessment Act 1997 (Cth) applies to the Options (subject to the conditions in that Act).
- (xvii) An Option does not entitle a holder to vote on any resolutions proposed at a general meeting of Calima's shareholders.
- (xviii) An Option does not entitle a holder to any dividends.
- (xix) An Option does not entitle the holder to participate in the surplus profits or assets of Calima upon winding up of Calima.
- (xx) An Option does not give a holder any other rights other than those expressly provided by these terms and the Calima Employee Incentive Plan and those provided at law where such rights at law cannot be excluded by these terms.



### Schedule 3 – Capital structure of Company following Consolidation

	Number on issue (pre Consolidation)	Number on issue (post Consolidation)
Shares	10,274,055,901	513,702,795
Options	433,250,000 <sup>1</sup>	21,662,500 <sup>2</sup>
Performance Rights	165,450,000 <sup>3</sup>	8,272,500 <sup>4</sup>

#### Notes:

1. Options pre-Consolidation comprise:
  - 362,500,000 Options (including a total of 56,000,000 Incentive Options the subject of Resolutions 3 and 4) each exercisable at \$0.01 on or before 30 April 2026;
  - 50,000,000 Options each exercisable at \$0.01 on or before 30 April 2024;
  - 10,000,000 Management Options each exercisable at \$0.09 on or before 25 August 2022;
  - 10,000,000 Management Options each exercisable at \$0.12 on or before 25 August 2022;
  - 750,000 Options each exercisable at \$0.07 on or before 6 November 2021.
2. Options post Consolidation (subject to rounding of entitlements) comprise:
  - 18,125,000 Options (including a total of 2,800,000 Incentive Options the subject of Resolutions 3 and 4) each exercisable at \$0.20 on or before 30 April 2026;
  - 2,500,000 Options each exercisable at \$0.20 on or before 30 April 2024;
  - 500,000 Management Options each exercisable at \$1.80 on or before 25 August 2022;
  - 500,000 Management Options each exercisable at \$2.40 on or before 25 August 2022;
  - 37,500 Options each exercisable at \$1.40 on or before 6 November 2021.
3. Performance Rights pre-Consolidation comprise:
  - 48,000,000 Class A Performance Rights expiring 30 April 2026;
  - 48,000,000 Class B Performance Rights expiring 30 April 2026;
  - 50,000,000 Class C Performance Rights (including 30,000,000 Class C Performance Rights the subject of Resolution 2) expiring 30 April 2026;
  - 19,450,000 Performance Rights expiring 29 August 2022.
4. Performance Rights post Consolidation (subject to rounding of entitlements) comprise:
  - 2,400,000 Class A Performance Rights expiring 30 April 2026;
  - 2,400,000 Class B Performance Rights expiring 30 April 2026;
  - 2,500,000 Class C Performance Rights (including 1,500,000 Class C Performance Rights the subject of Resolution 2) expiring 30 April 2026;
  - 972,500 Performance Rights expiring 29 August 2022.

# CALIMA ENERGY LIMITED

ACN 117 227 086

## PROXY FORM

The Company Secretary  
Calima Energy Limited

**By delivery or by post:**  
Suite 4, 246-250 Railway Parade, WEST LEEDERVILLE WA 6007

**By facsimile:**  
(08) 6500 3275

### Step 1 – Appoint a Proxy to Vote on Your Behalf

I/We<sup>1</sup> \_\_\_\_\_  
of \_\_\_\_\_

being a Shareholder/Shareholders of the Company and entitled to \_\_\_\_\_  
votes in the Company, 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 and address of the person or body corporate (excluding the registered shareholder) you are appointing as your proxy

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chair, as my/our proxy to act generally on my/our behalf at a General meeting to be held at Suite 4, 246-250 Railway Parade, West Leederville on Monday, 30 August 2021 at 10:00am (WST) (**Meeting**) and to vote in accordance with the following directions (or if no directions have been given, as the proxy sees fit, except for as set out below).

**The Chair of the Meeting intends to vote all available proxies in favour of Resolutions 2, 3 and 4. If the Chairman of the Meeting is your proxy or is appointed your proxy by default, unless you indicate otherwise by ticking either the 'for', 'against' or 'abstain' box in relation to Resolutions 2, 3 and 4, you will be authorising the Chairman to vote in accordance with the Chairman's voting intentions on Resolutions 2, 3 and 4 even if those Resolutions are connected directly or indirectly with the remuneration of a member of the Key Management Personnel.**

**Proxy appointments will only be valid and accepted by the Company if they are made and received no later than 48 hours before the meeting. Please read the voting instructions overleaf before marking any boxes with an .**

### Step 2 – Instructions as to Voting on Resolutions

#### INSTRUCTIONS AS TO VOTING ON RESOLUTIONS

The proxy is to vote for or against the Resolutions referred to in the Notice as follows:

Resolution 1 – Approval of Consolidation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2 – Approval to grant Performance Rights to Glenn Whiddon	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3 – Approval to grant Incentive Options to Jordan Keval	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4 – Approval to grant Incentive Options to Lonny Tetley	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5 – Ratification of prior issue of Shares to StocksDigital under Listing Rule 7.1 capacity	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

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

**The Chair of the Meeting intends to vote undirected proxies in favour of each Resolution.**

<sup>1</sup> Insert name and address of Shareholder

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**Authorised signature/s**

This section **must** be signed in accordance with the instructions below to enable your voting instructions to be implemented.

Individual or Shareholder 1

Shareholder 2

Shareholder 3

Sole Director and Sole Company Secretary

Director

Director/Company Secretary

\_\_\_\_\_

Contact Name

\_\_\_\_\_

Contact Daytime Telephone

\_\_\_\_\_

Date

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**Proxy Notes:**

A Shareholder entitled to attend and vote at the Meeting may appoint a natural person as the Shareholder's proxy to attend and vote for the Shareholder at that Meeting. If the Shareholder is entitled to cast 2 or more votes at the Meeting the Shareholder may appoint not more than 2 proxies. Where the Shareholder appoints more than one proxy the Shareholder may specify the proportion or number of votes each proxy is appointed to exercise. If such proportion or number of votes is not specified each proxy may exercise half of the Shareholder's votes. A proxy may, but need not be, a Shareholder of the Company.

If a Shareholder appoints a body corporate as the Shareholder's proxy to attend and vote for the Shareholder at that Meeting, the representative of the body corporate to attend the Meeting must produce the Certificate of Appointment of Representative prior to admission. A form of the certificate may be obtained from the Company's share registry.

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

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

Power of Attorney:            if signed under a Power of Attorney, you must have already lodged it with the registry, or alternatively, attach a certified photocopy of the Power of Attorney to this Proxy Form when you return it.

Companies:                      a Director can sign jointly with another Director or a Company Secretary. A sole Director who is also a sole Company Secretary can also sign. Please indicate the office held by signing in the appropriate space.

If a representative of the corporation is to attend the Meeting the appropriate "Certificate of Appointment of Representative" should be produced prior to admission. A form of the certificate may be obtained from the Company's Share Registry.

Proxy Forms (and the power of attorney or other authority, if any, under which the Proxy Form is signed) or a copy or facsimile which appears on its face to be an authentic copy of the Proxy Form (and the power of attorney or other authority) must be deposited at or received by facsimile transmission at the address below no later than 48 hours prior to the time of commencement of the Meeting (WST).

**Hand deliveries:**            Suite 4, 246-250 Railway Parade, WEST LEEDERVILLE WA 6007

**Postal address:**             Suite 4, 246-250 Railway Parade, WEST LEEDERVILLE WA 6007

**Facsimile:**                    (08) 6500 3275

**Email address:**              info@calimaenergy.com