
WINCHESTER ENERGY LIMITED

ACN 168 586 445

NOTICE OF GENERAL MEETING

Notice is given that the General Meeting will be held at:

TIME: 11:00am (WST)

DATE: Thursday, 3 October 2019

PLACE: Level 3, 18 Richardson Street, West Perth WA 6005

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

This Notice of General 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 General Meeting are those who are registered Shareholders at 11:00am (WST) on Tuesday, 1 October 2019.

BUSINESS OF THE GENERAL MEETING

AGENDA

1. RESOLUTION 1 – RATIFICATION OF 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 allotment and issue of 106,900,000 Shares at an issue price of \$0.025 each to sophisticated and professional investors on the terms and conditions and in the manner set out in the Explanatory Memorandum."

Voting Exclusion The Company will disregard any votes cast on this Resolution by any person who participated in the issue of securities the subject of this Resolution and any associates of those persons.

However, the Company need not disregard a vote if:

- a. it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or
- b. it is cast by the Chairperson 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.

2. RESOLUTION 2 – APPROVAL OF ISSUE OF SHARES

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

"That, for the purposes of ASX Listing Rule 7.1 and for all other purposes, the Shareholders approve the issue of 20,000,000 Shares at an issue price of \$0.025 to Helios Energy Ltd on the terms and conditions set out in the Explanatory Statement".

Voting Exclusion: The Company will disregard any votes cast on this Resolution by Helios (or any nominees of them) and any of their associates. However, the Company need not disregard a vote if:

- (a) it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or,
- (b) it is cast by the 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: 29 August 2019

By order of the Board

Lloyd Flint
Company Secretary

Voting in person

To vote in person, attend the General 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 General Meeting please do not hesitate to contact the Company Secretary on +61 8 1300 133 921.

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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.

3. RESOLUTION 1 - RATIFICATION OF A PLACEMENT

3.1 Background

The Company completed a Placement on 22 August 2019 under which 106,900,000 new Shares were issued to various institutional and sophisticated investors at \$0.025 per Share, raising a total of \$ 2,672,500.00 (**Placement**) before costs.

The Company issued the Shares the subject of the Placement without prior shareholder approval out of its annual placement capacity pursuant to ASX Listing Rules 7.1 and 7.1A.

Resolution 1 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of the Shares the subject of the Placement.

3.2 Description of Listing Rule 7.4

ASX Listing Rule 7.1 provides that a company must not issue, or agree to issue, equity securities during any 12 month period which, when aggregated, exceeds 15% of the number of that company's fully paid ordinary securities on issue at the commencement of that 12 month period, unless one of the exceptions in ASX Listing Rule 7.1 applies or Shareholders approve the issue for the purposes of ASX Listing Rule 7.1.

ASX Listing Rule 7.4 provides that an issue of securities made without Shareholder approval under ASX Listing Rule 7.1 will be treated as having been made with shareholder approval for the purposes of ASX Listing Rule 7.1 if the issue did not breach ASX Listing Rule 7.1 at the time the issue was conducted and shareholders subsequently ratify the issue.

Resolution 1 seeks Shareholder approval to ratify the issue of the Shares the subject of the Placement for the purposes of ASX Listing Rule 7.4.

The approval of Resolution 1 will provide the Company with greater flexibility to issue further securities up to its 15% placement capacity in accordance with ASX Listing Rule 7.1 without needing to obtain the prior approval of its Shareholders.

3.3 Specific information required by Listing Rule 7.5

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to Resolution 1:

- i the number of Shares allotted was 106,900,000;
- ii the Shares were issued at \$0.025 each;
- iii the Shares were issued on the same terms and conditions as the Company's existing Shares on issue and rank equally in all respects with all other Shares on issue;

- iv the Shares were issued to various international and Australian sophisticated and professional investors under sections 708(8) – (11) of the Corporations Act. The Placement was managed by CPS Securities. No related parties participated in the Placement and Cleansing Offer; and
- v the Company will expend the funds on the development drilling program to enhance oil production in the company's 17,000 net acres of leasehold in the Permian Basin of Nolan County, Texas, in particular at the Mustang Oil Field and for general working capital purposes.

A voting exclusion statement is included in the Notice of General Meeting.

3.4 Directors' recommendation

The Directors unanimously recommend that Shareholders vote in favour of Resolution 1.

4. RESOLUTION 2 – APPROVAL OF ISSUE OF SHARES TO HELIOS ENERGY LTD

4.1 General

Resolution 2 seeks Shareholder approval pursuant to ASX Listing Rule 7.1 for the issue of Shares.

ASX Listing Rule 7.1 imposes a 15% limit on the number of equity securities the Company can issue within a 12 month period without shareholder approval. As the Company has already issued a significant number of Equity Securities in the last 12 months (being the subject of Ratification pursuant to Resolution 1) the issue of these Shares is required to be made subject to obtaining Shareholder approval under ASX Listing Rule 7.1.

4.2 Shareholder Approval pursuant to ASX Listing Rule 7.1

In accordance with the requirements of Listing Rule 7.3, the following information is provided to Shareholders to allow them to assess the proposed issue of the Shares, the subject of this Resolution 2:

- (i) the number of Shares to be issued and allotted by the Company is 20,000,000;
- (ii) The Shares will be issued to Helios Energy Ltd. It is anticipated that the Shares will be issued as soon as practicable after the date of the General Meeting. In any event, however, no Share will be issued later than three months after the General Meeting;
- (iii) the Shares will be issued for \$0.025 cents each to raise \$500,000;
- (iv) the Shares will be issued on the same terms and conditions as the Company's existing Shares on issue and rank equally in all respects with all other Shares;
- (v) the Company will apply the funds on the development drilling program to enhance oil production in the company's 17,000 net acres of leasehold in the Permian Basin of Nolan County, Texas, in particular at the Mustang Oil Field and for general working capital purposes; and

- (vi) a voting exclusion statement is included in the Notice.

4.3 Directors' Recommendation

All the Directors unanimously recommend to Shareholders vote in favour of Resolution 2.

GLOSSARY

\$ means Australian dollars.

Meeting or **General Meeting** means the General 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 General 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 Winchester Energy Limited (ACN 168 586 445).

Constitution means the Company's constitution.

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

Directors means the current directors of the Company.

Explanatory Statement means the explanatory statement accompanying the Notice.

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

Proxy Form means the proxy form accompanying the Notice.

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.

WST means Western Standard Time as observed in Perth, Western Australia.

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PROXY FORM

WINCHESTER ENERGY LIMITED
ACN 168 586 445

GENERAL MEETING

I/We

of:

being a Shareholder entitled to attend and vote at the Meeting, hereby appoint:

Name:

OR: the Chair of the Meeting as my/our proxy.

or failing the person so named or, if no person is named, the Chair, or the Chair's nominee, to vote in accordance with the following directions, or, if no directions have been given, and subject to the relevant laws as the proxy sees fit, at the Meeting to be held at 11:00am (WST), on Thursday, 3 October 2019 at Level 3, 18 Richardson Street, West Perth WA 6005, and at any adjournment thereof.

CHAIR'S VOTING INTENTION IN RELATION TO UNDIRECTED PROXIES

The Chair intends to vote undirected proxies in favour of all Resolutions. In exceptional circumstances the Chair may change his/her voting intention on any Resolution. In the event this occurs an ASX announcement will be made immediately disclosing the reasons for the change.

Voting on business of the Meeting

	FOR	AGAINST	ABSTAIN
Resolution 1 Ratification of Placement	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2 Approval of Issue of Shares to Helios Energy Ltd	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Please note: If you mark the abstain box for a particular Resolution, you are directing your proxy not to vote on that Resolution on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

If two proxies are being appointed, the proportion of voting rights this proxy represents is: _____ %

Signature of Shareholder(s):

Individual or Shareholder 1

Sole Director/Company Secretary

Shareholder 2

Director

Shareholder 3

Director/Company Secretary

Date: _____

Contact name: _____

Contact ph (daytime): _____

E-mail address: _____

Consent for contact by e-mail in relation to this Proxy Form: YES NO

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Instructions for completing Proxy Form

1. **(Appointing a proxy):** A Shareholder entitled to attend and cast a vote at the Meeting is entitled to appoint a proxy to attend and vote on their behalf at the Meeting. If a Shareholder is entitled to cast 2 or more votes at the Meeting, the Shareholder may appoint a second proxy to attend and vote on their behalf at the Meeting. However, where both proxies attend the Meeting, voting may only be exercised on a poll. The appointment of a second proxy must be done on a separate copy of the Proxy Form. A Shareholder who appoints 2 proxies may specify the proportion or number of votes each proxy is appointed to exercise. If a Shareholder appoints 2 proxies and the appointments do not specify the proportion or number of the Shareholder's votes each proxy is appointed to exercise, each proxy may exercise one-half of the votes. Any fractions of votes resulting from the application of these principles will be disregarded. A duly appointed proxy need not be a Shareholder.
2. **(Direction to vote):** A Shareholder may direct a proxy how to vote by marking one of the boxes opposite each item of business. The direction may specify the proportion or number of votes that the proxy may exercise by writing the percentage or number of Shares next to the box marked for the relevant item of business. Where a box is not marked the proxy may vote as they choose subject to the relevant laws. Where more than one box is marked on an item the vote will be invalid on that item.
3. **(Signing instructions):**
 - **(Individual):** Where the holding is in one name, the Shareholder must sign.
 - **(Joint holding):** Where the holding is in more than one name, all of the Shareholders should sign.
 - **(Power of attorney):** If you have not already provided the power of attorney with the registry, please attach a certified photocopy of the power of attorney to this Proxy Form when you return it.
 - **(Companies):** Where the company has a sole director, who is also the sole company secretary, that person must sign. Where the company (pursuant to Section 204A of the Corporations Act) does not have a company secretary, a sole director can also sign alone. Otherwise, a director jointly with either another director or a company secretary must sign. Please sign in the appropriate place to indicate the office held. In addition, if a representative of a company is appointed pursuant to Section 250D of the Corporations Act to attend the Meeting, the documentation evidencing such appointment should be produced prior to admission to the Meeting. A form of a certificate evidencing the appointment may be obtained from the Company.
4. **(Attending the Meeting):** Completion of a Proxy Form will not prevent individual Shareholders from attending the Meeting in person if they wish. Where a Shareholder completes and lodges a valid Proxy Form and attends the Meeting in person, then the proxy's authority to speak and vote for that Shareholder is suspended while the Shareholder is present at the Meeting.
5. **(Return of Proxy Form):** To vote by proxy, please complete and sign the enclosed Proxy Form and return by:
 - (a) post to Winchester Energy Limited, PO Box 641, West Perth WA 6872 or Level 3, 18 Richardson Street, West Perth WA 6005 or
 - (b) facsimile to the Company on facsimile number +61 8 6298 6191,so that it is received not less than 48 hours prior to commencement of the Meeting.

Proxy Forms received later than this time will be invalid.