

Top End Energy Limited
(ACN 650 478 774)

27 December 2024

Notice of General Meeting

Date of meeting

Tuesday, 28 January 2025

Place of meeting

The meeting will be held at
Level 1, 33 Ord Street
West Perth WA 6005

Time of meeting

10:00am (AWST)

The Company strongly encourages Shareholders to lodge a directed proxy form prior to the Meeting and register their attendance prior to the Meeting if they intend to attend. Questions should also be submitted in advance of the Meeting as this will provide management with the best opportunity to prepare for the Meeting, for example by preparing answers in advance to Shareholders questions. However, questions may also be raised during the Meeting.

In accordance with the provisions under the Corporations Act, the Company will not be sending hard copies of the Notice of Meeting to shareholders unless a shareholder has previously requested a hard copy.

The following is a link to the Notice of Meeting and Explanatory Statement:
www.topendenergy.com.au

Alternatively, a complete copy of the Notice of Meeting and Explanatory Statement has been posted on the Company's ASX market announcements page.

If you have nominated an email address and have elected to receive electronic communications from the Company, you will also receive an email to your nominated email address with a link to an electronic copy of the Notice of Meeting and Explanatory Statement.

In order to receive electronic communications from the Company in the future, please update your Shareholder details online at <http://investor.automic.com.au/#/home> and log in with your unique shareholder identification number and postcode (or country for overseas residents), where you can find on your enclosed personalised proxy form. Once logged in you can also lodge your proxy vote online by clicking on the "Vote" tab.

If you are unable to access the Notice of Meeting and Explanatory Memorandum online, please contact the Joint Company Secretary, Michelle Kennedy, on +61 8 6245 9836 or via email at info@topendenergy.com.au

The Company will notify Shareholders via the Company's website at www.topendenergy.com.au and the Company's ASX Announcement Platform at asx.com.au (ASX: TEE) if changing circumstances impact the planning or arrangements for the Meeting.

This announcement is authorised for market release by Top End Energy Limited Executive Chairman and Joint Company Secretary.

For more information please contact:

Michelle Kennedy
Joint Company Secretary
+61 8 6245 9836
info@topendenergy.com.au

About Top End Energy Limited

Top End aims to be a leading Australian diversified energy provider at the forefront of the energy transition. Combining an attractive portfolio of granted and in-application petroleum permits across Australia, intending to pursue complementary clean energy solutions and achieve a target of net zero (Scope 1 and 2) emissions.

For further information on Top End Energy Limited please visit www.topendenergy.com.au



TOP END ENERGY LIMITED
ACN 650 478 774

Notice of Extraordinary General Meeting

Explanatory Statement and Proxy Form

Date of Meeting:
Tuesday, 28 January 2025

Time of Meeting:
10:00AM AWST

Location:
Level 1, 33 Ord Street
West Perth WA 6005

This Notice of Extraordinary General Meeting and Explanatory Statement 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 advisor without delay.

For personal use only

TOP END ENERGY LIMITED

ACN 650 478 774

Registered office: Level 2, 10 Outram Street, West Perth, WA 6005

NOTICE OF EXTRAORDINARY GENERAL MEETING

Notice is hereby given that an Extraordinary General Meeting of shareholders of Top End Energy Limited (the Company) will be held at Level 1, 33 Ord Street, West Perth WA 6005 on Tuesday, 28 January 2025 at 10:00am (AWST) (Extraordinary General Meeting or Meeting).

Shareholders are encouraged to submit their proxies as early as possible, and in any event by 10.00am (AWST) on Sunday, 26 January 2025. To lodge your proxy, please follow the directions on your personalised proxy form.

As permitted by section 110D of the Corporations Act, the Company will not be sending hard copies of the Notice of Meeting to Shareholders. Instead, Shareholders can access a copy of the Notice at the following link: www.topendenergy.com.au.

Alternatively, a complete copy of the Notice of Meeting and Explanatory Statement has been posted on the Company's ASX market announcements page.

Shareholders attending the Meeting in person will be able to ask questions and the Company has made provision for Shareholders who register their attendance before the start of the Meeting to also cast their votes on the proposed resolutions at the Meeting.

As noted previously, the Company strongly recommends its shareholders to lodge a directed proxy as soon as possible in advance of the meeting even if they are planning to attend the Meeting. The Company will conduct a poll on each resolution presented at the Meeting. The Company will accept questions during the Meeting by raising your hand at which point the Company will allow your question verbally.

The Company is happy to accept and answer questions submitted prior to the Meeting by email to info@topendenergy.com.au. The Company will address relevant questions during the meeting or by written response after the Meeting (subject to the discretion of the Company not to respond to unreasonable and/or offensive questions).

Any shareholders who wish to attend the Meeting should monitor the Company's website and its ASX announcements for any updates about the Meeting. If it becomes necessary or appropriate to make alternative arrangements for the holding or conducting of the Meeting, the Company will make further information available through the ASX website at asx.com.au (ASX: TEE) and on its website at www.topendenergy.com.au.

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AGENDA

The Explanatory Statement and Proxy Form which accompany and form part of this Notice, include defined terms and describe in more detail the matters to be considered. Please consider this Notice, the Explanatory Statement and the proxy form in their entirety.

RESOLUTIONS

Resolution 1: Ratification of prior issue of Tranche 1 Placement Shares – 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 Listing Rule 7.4 and for all other purposes, Shareholders ratify the prior issue of 13,242,188 Shares to the Placement participants, on the terms and conditions set out in the Explanatory Statement accompanying this Notice of Meeting.”

Voting Exclusion: The Company will disregard any votes cast in favour of this Resolution by or on behalf of a person who participated in the issue of the Shares or is a counterparty to the agreement being approved or an Associate of that person or 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 the directions given to the proxy or attorney to vote on the Resolution in that way; or
- (b) the Chair acting 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.

Resolution 2: Ratification of prior issue of Tranche 1 Placement Shares – 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 Listing Rule 7.4 and for all other purposes, Shareholders ratify the prior issue of 8,828,125 Shares to the Placement participants, on the terms and conditions set out in the Explanatory Statement accompanying this Notice of Meeting.”

Voting Exclusion: The Company will disregard any votes cast in favour of this Resolution by or on behalf of a person who participated in the issue of the Shares or is a counterparty to the agreement being approved or an Associate of that person or 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 the directions given to the proxy or attorney to vote on the Resolution in that way; or
- (b) the Chair acting 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.

Resolution 3: Approval to issue Tranche 2 Placement Shares

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

“That, subject to Completion occurring, for the purposes of Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue 37,929,687 Shares to the Placement participants (or their

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respective nominees) on the terms and conditions set out in the Explanatory Statement accompanying this Notice of Meeting.”

Voting Exclusion: The Company will disregard any votes cast in favour of this Resolution by or on behalf of Placement participants (or their respective nominees) and any person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company) and any Associate 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 the directions given to the proxy or attorney to vote on the Resolution in that way; or
- (b) the Chair acting 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.

Resolution 4: Approval to issue Consideration Securities to the Vendors

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

“That, subject to Completion occurring, for the purposes of Listing Rule 7.1 and for all other purposes, Shareholders approve the issue of 107,000,000 Shares and 26,750,000 Options to the Vendors (or their respective nominees), on the terms and conditions set out in the Explanatory Statement accompanying this Notice of Meeting.”

Voting Exclusion: The Company will disregard any votes cast in favour of this Resolution by or on behalf of the Vendors, or any other person who will obtain a material benefit as a result of the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company) or any Associate of that person or 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 the directions given to the proxy or attorney to vote on the Resolution in that way; or
- (b) the Chair acting 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.

Resolution 5: Approval to issue Performance Rights to Mr Luke Velterop (or his nominee)

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

“That, subject to Completion occurring, for the purposes of Listing Rule 7.1 and for all other purposes, Shareholders approve the issue of 30,000,000 Performance Rights to Mr Luke Velterop (or his nominee), on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast in favour of this Resolution by or on behalf of Mr Velterop (or his nominee), or any other person who will obtain a material benefit as a result of the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company) or any Associate of that person or 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 the directions given to the proxy or attorney to vote on the Resolution in that way; or
- (b) the Chair acting 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.

Resolution 6: Approval to issue Facilitation Securities to Inyati Capital Pty Ltd

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

"That, subject to Completion occurring, for the purposes of Listing Rule 7.1 and for all other purposes, Shareholders approve the issue of 16,500,000 Shares and 4,012,500 Options to Inyati Capital Pty Ltd (or its nominee), on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion: The Company will disregard any votes cast in favour of this Resolution by or on behalf of Inyati Capital Pty Ltd (or its nominee), or any other person who will obtain a material benefit as a result of the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company) or any Associate of that person or 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 the directions given to the proxy or attorney to vote on the Resolution in that way; or
- (b) the Chair acting 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.

Resolution 7: Approval to issue Options to holders of AFSLs

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

"That, subject to Completion occurring, for the purposes of Listing Rule 7.1 and for all other purposes, Shareholders approve the issue of 8,000,000 Options to holders of AFSLs (or their respective nominees) who assisted Inyati Capital Pty Ltd with the Placement, on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion: The Company will disregard any votes cast in favour of this Resolution by or on behalf of the AFSLs who assisted Inyati with the Placement (or their respective nominees), or any other person who will obtain a material benefit as a result of the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company) or any Associate of that person or 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 the directions given to the proxy or attorney to vote on the Resolution in that way; or
- (b) the Chair acting 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.

Resolution 8: Approval to issue Options to Mr Emmanuel Correia (or his nominee)

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

"That, subject to Completion occurring, for the purposes of Listing Rule 10.11, section 195(4) of the Corporations Act, and for all other purposes, approval is given for the Company to issue to Mr Emmanuel Correia (or his nominee) up to 7,500,000 Options on the terms and conditions set out in the Explanatory Statement accompanying this Notice of Meeting."

Voting Exclusion: The Company will disregard any votes cast in favour of this Resolution by or on behalf of Mr Correia (or his nominee), who is to receive the Options and any other person who will obtain a material benefit as a result of the issue of the Options (except a benefit solely by reason of being a holder of ordinary securities in the Company) or any Associate 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 the directions given to the proxy or attorney to vote on the Resolution in that way; or

- (b) the Chair acting 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.

Resolution 9: Approval to issue Options to Mr Andrew Somoff (or his nominee)

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

"That, subject to Completion occurring, for the purposes of Listing Rule 10.11, section 195(4) of the Corporations Act, and for all other purposes, approval is given for the Company to issue to Mr Andrew Somoff (or his nominee) up to 5,000,000 Options on the terms and conditions set out in the Explanatory Statement accompanying this Notice of Meeting."

Voting Exclusion: The Company will disregard any votes cast in favour of this Resolution by or on behalf of Mr Somoff (or his nominee), who is to receive the Options and any other person who will obtain a material benefit as a result of the issue of the Options (except a benefit solely by reason of being a holder of ordinary securities in the Company) or any Associate 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 the directions given to the proxy or attorney to vote on the Resolution in that way; or
- (b) the Chair acting 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.

Resolution 10: Approval to issue Options to Mr Patrick Burke (or his nominee)

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

"That, subject to Completion occurring, for the purposes of Listing Rule 10.11, section 195(4) of the Corporations Act, and for all other purposes, approval is given for the Company to issue to Mr Patrick Burke (or his nominee) up to 10,000,000 Options on the terms and conditions set out in the Explanatory Statement accompanying this Notice of Meeting."

Voting Exclusion: The Company will disregard any votes cast in favour of this Resolution by or on behalf of Mr Burke (or his nominee), who is to receive the Options and any other person who will obtain a material benefit as a result of the issue of the Options (except a benefit solely by reason of being a holder of ordinary securities in the Company) or any Associate 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 the directions given to the proxy or attorney to vote on the Resolution in that way; or
- (b) the Chair acting 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.

By order of the Board

Michelle Kennedy
Joint Company Secretary

Dated: 27 December 2024

Voting by proxy

To vote by proxy, please complete and sign the enclosed proxy form and return it by **10.00am (AWST) on Sunday, 26 January 2025** in accordance with the instructions set out in 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 two or more votes may appoint two proxies and may specify the proportion of 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 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:

- 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.

Voting in person

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

Shareholders are invited to contact the Company Secretary, Michelle Kennedy, on +61 403 082 523 if they have any queries in respect of the matters set out in these documents.

Michelle Kennedy
Joint Company Secretary

Dated: 27 December 2024

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared for the information of Shareholders in relation to the business to be conducted at the Extraordinary General Meeting to be held on Tuesday, 28 January 2025 as a meeting commencing at 10:00am (AWST).

The purpose of this Explanatory Statement is to provide Shareholders with all information known to the Company which is material to a decision on how to vote on the Resolutions in the accompanying Notice of Meeting.

This Explanatory Statement should be read in conjunction with the Notice of Meeting preceding this Explanatory Statement. Capitalised terms in this Explanatory Statement are defined in the glossary to this document.

If you have any questions regarding the matters set out in this Explanatory Statement or the preceding Notice of Meeting, please contact the Joint Company Secretary, your accountant, solicitor, stockbroker or other professional advisor before voting.

1. BACKGROUND TO RESOLUTIONS 1 TO 10

1.1 Proposed Transaction

As announced on 4 December 2024, the Company has entered into binding share purchase agreements with Serpentine Energy Pty Ltd (ACN 671 865 526) (**Serpentine**) and all of the Majority Vendors (**Majority SPA**) and Minority Vendors (**Minority SPA**) and together with the Majority SPA, the **Share Purchase Agreements**) of Serpentine to acquire 100% of Serpentine along with its wholly owned subsidiaries Serpentine Energy LLC and Downunder Ventures LLC (**Proposed Transaction**).

Downunder Ventures LLC, which is wholly owned by Serpentine Energy LLC, holds approximately 105 oil and gas leases located in the Marshall, Washington and Riley counties in Kansas, United States, granting exclusive rights to all gases, including hydrogen and helium (**Serpentine Natural Hydrogen Project**). Serpentine also has a natural hydrogen project in Western Australia, consisting of two Special Prospecting Authority with an Acreage Option applications in Morawa (STP-SPA-0115) and the Goldfields (STP-SPA-0113).

The Share Purchase Agreements establish the terms on which the Majority Vendors and the Minority Vendors (together, the **Vendors**) agree to sell, and the Company has agreed to purchase, the securities in Serpentine held by the Vendors.

A summary of the Share Purchase Agreements is set out in Schedule 1 of this Notice of Meeting.

Under the terms of the Proposed Transaction, the Company has paid \$300,000 (in aggregate) to Serpentine and has agreed to issue, subject to obtaining Shareholder approval, the following securities:

- (a) 107,000,000 Shares (in aggregate) (**Consideration Shares**) and 26,750,000 Options (in aggregate) (**Consideration Options**) to the Vendors (together, the **Consideration Securities**) (the subject of Resolution 4);
- (b) 30,000,000 performance rights to Mr Luke Velterop pursuant to the Services Letter (the subject of Resolution 5) (**Performance Rights**);
- (c) 16,500,000 Shares and 4,012,500 Options to Inyati Capital Pty Ltd (ACN 642 351 193) (**Inyati**) in consideration for introducing the Proposed Transaction to the Company (the subject of Resolution 6) (**Facilitation Securities**);
- (d) 8,000,000 Options to holders of AFSLs who have assisted Inyati with the Placement (the subject of Resolution 7) (**AFSL Options**); and
- (e) up to 22,500,000 Options to the Board of the Company (the subject of Resolutions 8 to 10) (**Board Options**).¹

The above Shares will be issued on the same terms and conditions as the existing Shares on issue in the Company. The terms and conditions of the above Options and Performance rights are set out in Schedules 2 and 3 of this Notice of Meeting respectively.

¹ This figure includes 5,000,000 Options that Mr Patrick Burke is entitled to receive under his terms of employment as Executive Chair of the Company, as announced on 4 December 2024.

The Consideration Shares and the Shares comprising the Facilitation Securities will be subject to a period of voluntary escrow as follows:

- (a) 25% - 3-month escrow;
- (b) 25% - 6-month escrow;
- (c) 25% - 12-month escrow; and
- (d) 25% - no escrow.

For further information in relation to the Proposed Transaction, please refer to the Company's ASX Announcement dated 4 December 2024, which is available on the websites of the Company and the ASX at the following links:

<https://topendenergy.com.au/asx-announcements/>

<https://www.asx.com.au/markets/trade-our-cash-market/announcements.tee>

1.2 Placement

As announced on 4 December 2024, the Company has received firm commitments from sophisticated investors to raise a total of \$6 million (before costs) by the issue of up to 60,000,000 Shares at an issue price of \$0.10 per Share (**Placement**).

On 11 December 2024, the Company issued tranche 1 of the Placement, being 22,070,313 Shares (in aggregate), utilising its existing placement capacity under Listing Rules 7.1 and 7.1A at an issue price of \$0.10 per Share raising approximately \$2.2 million, before costs (**Tranche 1 Placement Shares**). The Company is seeking Shareholder approval to ratify the Tranche 1 Placement Shares under Resolutions 1 and 2.

Subject to obtaining Shareholder approval under Resolution 3, the Company intends to issue the remaining 37,929,687 Placement Shares (representing approximately \$3.8 million) to the Placement participants (**Tranche 2 Placement Shares**).

Proceeds from the Placement will be used towards development of the Serpentine Natural Hydrogen Project, continued development of the Company's existing projects (see Section 1.5(b) below) and for general working capital purposes.

Inyati has acted as lead manager to the Placement pursuant to a lead manager agreement dated on or about 27 November 2024 (**Lead Manager Agreement**) under which it is entitled to receive 8,000,000 Options in consideration for lead managing the Placement, which it has agreed to issue to holders of AFSLs (or their respective nominees) in consideration for assisting with the Placement. A summary of the Lead Manager Agreement is contained in Schedule 5 of this Notice of Meeting. The AFSL Options will be issued on the terms set out in Schedule 2. The AFSL Options will be issued for cash consideration of \$0.00001 each.

For further information in relation to the Placement, please refer to the Company's ASX Announcement dated 4 December 2024, which is available at <https://topendenergy.com.au/asx-announcements/>.

1.3 Appointment of Mr Luke Velterop

As announced on 4 December 2024, the Company has entered into a services letter whereby it has, with immediate effect, retained the services of Serpentine's founder, Mr Luke Velterop as Vice President, US Operations (**Services Letter**).

Under the Services Letter, the Company has agreed to issue, subject to Completion occurring, 30,000,000 Performance Rights (in aggregate) to Mr Velterop (or his nominee), subject to certain milestones as disclosed in the announcement dated 4 December 2024.

It is a condition precedent to the sale of the Serpentine securities (unless waived by the parties in accordance with the Majority SPA) that the Company enter into a services agreement with Mr Velterop on substantially the same terms as the Services Letter prior to completion of the Proposed Transaction. The material terms of the Services Letter are set out in Schedule 4 of this Notice of Meeting. The full terms and conditions of the Performance Rights are set out in Schedule 3 of this Notice of Meeting.

Shareholder approval is being sought under Resolution 5 for the issue of the Performance Rights.

1.4 Board Options

The Board has resolved to issue, subject to obtaining Shareholder approval, the following Options to each of Messrs Correia, Somoff and Burke in order to provide a performance-linked incentive, align the interests of Directors with Shareholders and to reward performance in connection with the Proposed Transaction:

- (a) up to 7,500,000 Options to Mr Emmanuel Correia (or his nominee);
- (b) up to 5,000,000 Options to Mr Andrew Somoff (or his nominee); and
- (c) up to 10,000,000 Options to Mr Patrick Burke (or his nominee), which includes 5,000,000 Options Mr Burke is entitled to receive under his terms of employment as Executive Chair of the Company as announced on 4 December 2024,

(together, the **Board Options**).

The Board Options will be issued for no cash consideration on the same terms and conditions as the Consideration Options and Facilitation Options. The terms and conditions of the Board Options are set out in Schedule 2 of the Notice of Meeting.

1.5 Impact of the Proposed Transaction on the Company

- (a) Capital structure

The table below shows the potential impact of the Proposed Transaction on the entire capital structure of the Company (both Shares and other convertible Equity Securities), assuming all of the Resolutions are approved by Shareholders.

	Shares	Options	Performance Rights
Current issued capital¹	88,281,251	29,910,938	500,000
Ratification of Tranche 1 Placement Shares (the subject of Resolutions 1 and 2)	22,070,313	-	-
Issue of Tranche 2 Placement Shares (the subject of Resolution 3)	37,929,687	-	-
Issue of Consideration Securities (the subject of Resolution 4)	107,000,000	26,750,000 ²	-
Issue of Performance Rights to Mr Luke Velterop (the subject of Resolution 5)	-	-	30,000,000 ⁴
Issue of Facilitation Securities (the subject of Resolution 6)	16,500,000	4,012,500 ²	-
Issue of AFSL Options (the subject of Resolution 7)	-	8,000,000 ³	-
Board Options (the subject of Resolutions 8, 9 and 10)	-	22,500,000 ^{2,5}	-

Total issued capital at Completion	271,781,251	91,173,438	30,500,000
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Notes:

1. Prior to the Proposed Transaction and issue of the Tranche 1 Placement Shares.
2. The terms and conditions of the Options are set out in Schedule 2 of this Notice of Meeting.
3. The terms and conditions of the AFSL Options are set out in Schedule 2 of this Notice of Meeting. Each AFSL Option will be issued for cash consideration of \$0.00001 each.
4. The terms and conditions of the Performance Rights are set out in Schedule 3 of this Notice of Meeting.
5. Includes 5,000,000 Options Mr Burke is entitled to receive under his terms of employment as Executive Chair of the Company, as announced on 4 December 2024.

(b) Existing projects

The Company plans to continue exploration expenditure on the existing projects and remains well-funded with cash of approximately \$2.7 million as at 30 June 2024. The Company has spent \$5,833,184 on exploration expenditure and corporation administration on its existing projects since listing on the ASX in 2022.

1.6 Advantages and disadvantages of the Proposed Transaction

The anticipated benefits to the Company of the Proposed Transaction include:

- (a) the Company obtaining a 100% working interest and 80% net revenue interest in the Serpentine Natural Hydrogen Project for a period of 5 to 10 years (inclusive of an optional extension), with the remaining 20% revenue interest held by the mineral owner and/or other parties, as is customary in US leasing. The Serpentine Natural Hydrogen Project is strategically located in the heart of an active land rush, fuelled by historical observations of natural hydrogen and a surge in recent exploration activity, including seismic surveys, drill site permitting, drilling and testing operations;
- (b) retaining the services of Serpentine's founder, Mr Luke Velterop as Vice President, US Operations, who will be responsible for all aspects of driving the development of the Serpentine Natural Hydrogen Project and Serpentine's US hydrogen operations generally;
- (c) providing the Company with exposure to the US hydrogen industry; and
- (d) benefits from the potential upside from potential exploration activity by neighbouring lease holders.

A potential disadvantage to the Company of the Proposed Transaction is that existing Shareholders will have their holdings diluted following the issue of the Consideration Shares, Consideration Options (on exercise), Tranche 2 Placement Shares and Facilitation Shares. It is expected that existing Shareholders will retain approximately a 47% interest of the Company (in aggregate) on Completion

Following the Proposed Transaction, there will be no material change in the nature of the Company's business activities as the Company will continue to be a mineral exploration and development company with a particular focus on oil and gas and other associated, and potentially marketable product streams (including helium and hydrogen). Accordingly, the Company's risk profile will continue to broadly be the same as its existing business which has previously been disclosed to Shareholders, although Shareholders will now be exposed to new jurisdictional risks with the Serpentine Natural Hydrogen Project being located in the United States.

1.7 Completion

Assuming all Resolutions are passed at the Meeting, the Company anticipates completion of the Proposed Transaction will occur in February 2025.

1.8 Chapter 11 approval

ASX has confirmed that the Proposed Transaction does not constitute a significant change to the nature or scale of the Company's activities for the purposes of Chapter 11 of the ASX Listing Rules. Accordingly, Shareholder approval for the purposes of ASX Listing Rule 11.1.2 will not be required and the Company will not be required to re-comply with Chapters 1 and 2 of the ASX Listing Rules in relation to the Proposed Transaction.

1.9 Voting consequences

Each of Resolutions 3 and 4 (together with Resolution 5 if the relevant condition has not been waived in accordance with the Majority SPA) is required to be passed in order for Completion to occur under the Proposed Transaction.

If either of Resolutions 3 and 4 (together with Resolution 5, if applicable) are not passed, the Company will not be able to proceed with the Proposed Transaction and all funds raised under the Placement (other than funds raised by the issue of the Tranche 1 Placement Shares) will be returned. In these circumstances, certain transaction costs including advisory fees will still be payable by the Company. Failure to complete the Proposed Transaction and/or any action required to be taken to return capital, may have an adverse impact on the Company's financial performance, financial position, and share price.

Resolutions 6 to 10 are not required to be passed in order for Completion to occur under the Proposed Transaction. Subject to the passing of Resolutions 1 and 2, if any of Resolutions 6 to 10 are not passed, the Company may still decide to issue the relevant securities under each Resolution that is not passed, but any such issue will use up part of the Company's 15% limit under Listing Rule 7.1, effectively decreasing the number of Equity Securities the Company can issue without Shareholder approval over the 12-month period following the date of issue of the relevant securities.

Voting consequences for each Resolution are set out below.

2. RESOLUTIONS 1 AND 2 – RATIFICATION OF PRIOR ISSUE OF TRANCHE 1 PLACEMENT SHARES

2.1 Background

The background to Resolutions 1 and 2 is set out in section 1 of this Notice of Meeting.

The Company is seeking Shareholder approval to ratify the issue of:

- (a) 13,242,188 Tranche 1 Placement Shares pursuant to Listing Rule 7.1 – ratification of which is sought under Resolution 1; and
- (b) 8,828,125 Tranche 1 Placement Shares pursuant to Listing Rule 7.1A – ratification of which is sought under Resolution 2.

2.2 Listing Rules 7.1 and 7.1A

Broadly speaking, and subject to a number of exceptions in Listing Rule 7.2, Listing Rule 7.1 limits the number of Equity Securities that a listed company can issue without shareholder approval over any 12-month period to 15% of the fully paid ordinary securities that the company had on issue at the start of that 12-month period.

Under Listing Rule 7.1A however, an eligible entity can seek shareholder approval, by way of a special resolution passed at its annual general meeting, to have the capacity to issue further Equity Securities, in addition to the 15% in Listing Rule 7.1, equal to 10% of the fully paid ordinary securities that the company had on issue at the start of the relevant 12-month period. The Company obtained Shareholder approval for this further 10% at the annual general meeting held on 21 November 2024. Accordingly, the Company's combined capacity under Listing Rules 7.1 and 7.1A is 25% of the total number of ordinary securities that the Company had on issue at the start of the relevant 12-month period.

The issue of the Tranche 1 Placement Shares does not fit within any of the exceptions set out in Listing Rule 7.2 and, as it has not yet been approved by Shareholders, it effectively uses up part of the 25% limit in Listing Rules 7.1 and 7.1A, reducing the Company's capacity to issue further Equity Securities without Shareholder approval under Listing Rule 7.1 and 7.1A for the 12-month period following the date of issue of the Tranche 1 Placement Shares.

2.3 Listing Rule 7.4

Listing Rule 7.4 allows the shareholders of a listed company to approve an issue of Equity Securities (that was made without shareholder approval) after it has been made or agreed to be made. If shareholders approve the issue under Listing Rule 7.4, the issue is taken to have been approved under Listing Rule 7.1 and so does not reduce the company's capacity to issue further Equity Securities without shareholder approval under that rule.

The issue of the Tranche 1 Placement Shares did not breach Listing Rule 7.1 at the time of issue.

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 and Listing Rule 7.1A.

Accordingly, Resolutions 1 and 2 seek Shareholder ratification for the issue of the Tranche 1 Placement Shares pursuant to Listing Rule 7.4.

2.4 Listing Rule 14.1A

If either of Resolutions 1 and 2 are passed, the Tranche 1 Placement Shares (under the Resolution that is passed) will be excluded in calculating the Company's 25% limit in Listing Rules 7.1 and 7.1A, effectively increasing the number of Equity Securities the Company can issue without Shareholder approval over the 12-month period following the date of issue of the Tranche 1 Placement Shares.

If either of Resolutions 1 and 2 are not passed, the Tranche 1 Placement Shares (under the Resolution that is not passed) will be included in calculating the Company's 25% limit in Listing Rules 7.1 and 7.1A, effectively decreasing the number of equity securities the Company can issue without Shareholder approval over the 12-month period following the date of issue of the Tranche 1 Placement Shares.

2.5 Technical information required by Listing Rule 7.5

Pursuant to and in accordance with Listing Rule 7.5, the following information is provided in relation to Resolutions 1 and 2:

(a) Identity of the persons to whom securities were issued

The Tranche 1 Placement Shares were issued to institutional and sophisticated investors who were introduced to the Company by Inyati. None of the institutional and sophisticated investors are related parties of the Company or material investors.²

(b) The number and class of securities issued or agreed to issue

A total of 22,070,313 Tranche 1 Placement Shares were issued to non-related party Placement participants.

13,242,188 Tranche 1 Placement Shares were issued pursuant to Listing Rule 7.1 (ratification of which is sought under Resolution 1).

8,828,125 Tranche 1 Placement Shares were issued pursuant to Listing Rule 7.1A (ratification of which is sought under Resolution 2).

(c) A summary of the material terms of the securities, if not all fully paid ordinary securities

The Tranche 1 Placement Shares are fully paid ordinary shares in the Company and rank equally with existing Shares on issue.

(d) Issue date

The Tranche 1 Placement Shares were issued to non-related party Placement participants on 11 December 2024.

(e) Issue price

The Tranche 1 Placement Shares were issued at \$0.10 per Share.

(f) Purpose of the issue

Subject to completion occurring under the Proposed Transaction, the funds raised from the Tranche 1 Placement Shares will be used towards development of the Serpentine Natural Hydrogen Project, continued development of the Company's existing projects and for general working capital purposes.

² ASX consider the following to be material investors:

- (i). a related party of the entity;
- (ii). a member of the entity's Key Management Personnel;
- (iii). a substantial holder in the entity;
- (iv). an adviser to the entity; or
- (v). an associate of any of the above,

where such person or entity is being issued more than 1% of the entity's current issued capital.

For further information in relation to the Proposed Transaction, please refer to the Company's ASX Announcement dated 4 December 2024.

(g) **Issued under an agreement**

The Tranche 1 Placement Shares were not issued under an agreement.

(h) **Voting exclusion**

A voting exclusion statement for each of Resolutions 1 and 2 is included in the Notice of Meeting preceding this Explanatory Statement.

2.6 **Board Recommendation**

The Board unanimously recommends that Shareholders vote in favour of Resolutions 1 and 2 as it will enable the Company to proceed with the Proposed Transaction.

3. **RESOLUTION 3 – APPROVAL TO ISSUE TRANCHE 2 PLACEMENT SHARES**

3.1 **Background**

The background to Resolution 3 is set out in section 1 of this Notice of Meeting.

The Company is seeking Shareholder approval to issue up to 37,929,687 Tranche 2 Placement Shares pursuant to Listing Rule 7.1.

3.2 **Listing Rules 7.1**

Broadly speaking, and subject to a number of exceptions in Listing Rule 7.2, Listing Rule 7.1 limits the number of Equity Securities that a listed company can issue without shareholder approval over any 12-month period to 15% of the fully paid ordinary securities that the company had on issue at the start of that 12-month period.

The issue of the Tranche 2 Placement Shares does not fit within any of these exceptions and, as they have not yet been approved by Shareholders, they effectively use up part of the 15% limit in Listing Rule 7.1, reducing the Company's capacity to issue further Equity Securities without Shareholder approval under Listing Rule 7.1 for the 12-month period following the date of issue of the Tranche 2 Placement Shares.

The Company wishes to retain as much flexibility as possible to issue additional Equity Securities into the future without having to obtain Shareholder approval for such issues under Listing Rule 7.1. Accordingly, under Resolution 3, the Company seeks from Shareholders approval for the issue of the Tranche 2 Placement Shares.

Resolution 3 seeks the required Shareholder approval for the issue of the Tranche 2 Placement Shares under and for the purposes of Listing Rule 7.1.

3.3 **Listing Rule 14.1A**

If Resolution 3 is passed (along with Resolution 4 and, if the relevant condition has not been waived under the Majority SPA, Resolution 5), the Company will be able to proceed with the Proposed Transaction and the issue of the Tranche 2 Placement Shares will be excluded in calculating the Company's 15% limit in Listing Rule 7.1, effectively increasing the number of Equity Securities the Company can issue without Shareholder approval over the 12-month period following the date of issue of the Tranche 2 Placement Shares.

If Resolution 3 is not passed, the Company will not be able to proceed with the Proposed Transaction and the issue of the Tranche 2 Placement Shares and the Company will return the proceeds of any subscriptions raised under the Placement (other than funds raised by the issue of the Tranche 1 Placement Shares). In these circumstances, certain transaction costs including advisory fees will still be payable by the Company. Failure to complete the Proposed Transaction, and/or any action required to be taken to return capital, may have an adverse impact on the Company's financial performance, financial position, and share price.

3.4 **Technical information required by Listing Rule 7.3**

Pursuant to and in accordance with Listing Rule 7.3, the following information is provided in relation to Resolution 3:

- (a) **Identity of the persons to whom securities are to be issued**
The Tranche 2 Placement Shares will be issued to institutional and sophisticated investors who were introduced to the Company by Inyati. None of the institutional and sophisticated investors are related parties of the Company or material investors.
- (b) **The number and class of securities issued or agreed to issue**
A total of up to 37,929,687 Tranche 2 Placement Shares will be issued to non-related party Placement participants.
- (c) **A summary of the material terms of the securities, if not all fully paid ordinary securities**
The Tranche 2 Placement Shares are fully paid ordinary shares in the Company and will rank equally with existing Shares on issue.
- (d) **Issue date**
The Company anticipates issuing the Tranche 2 Placement Shares on or about February 2025 and in any event, within 3 months (or such later date permitted by ASX) of the date of the Meeting.
- (e) **Issue price**
The Tranche 2 Placement Shares will be issued at \$0.10 per Share.
- (f) **Purpose of the issue**
Subject to completion occurring under the Proposed Transaction, the funds raised from the Tranche 2 Placement Shares will be used towards development of the Serpentine Natural Hydrogen Project, continued development of the Company's existing projects and for general working capital purposes.
For further information in relation to the Proposed Transaction, please refer to the Company's ASX Announcement dated 4 December 2024.
- (g) **Issued under an agreement**
The Tranche 2 Placement Shares will not be issued under an agreement.
- (h) **Reverse takeover**
The Tranche 2 Placement Shares are not being issued under, or to fund, a reverse takeover.
- (i) **Voting exclusion**
A voting exclusion statement for Resolution 3 is included in the Notice of Meeting preceding this Explanatory Statement.

3.5 Board Recommendation

The Board unanimously recommends that Shareholders vote in favour of Resolution 3 as it will enable the Company to proceed with the Proposed Transaction.

4. RESOLUTION 4 – APPROVAL TO ISSUE CONSIDERATION SECURITIES TO THE VENDORS

4.1 Background

The background to the Consideration Securities and the Proposed Transaction is set out in Section 1 of this Notice of Meeting.

Resolution 4 seeks Shareholder approval for the issue of the Consideration Securities to the Vendors (or their respective nominees) pursuant to Listing Rule 7.1.

4.2 Listing Rule 7.1

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.

The issue of the Consideration Securities does not fit within any of these exceptions and, as they have not yet been approved by Shareholders, they effectively use up part of the 15% limit in Listing Rule 7.1, reducing the Company's capacity to issue further Equity Securities without Shareholder approval under Listing Rule 7.1 for the 12-month period following the date of issue of the Consideration Securities.

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

Accordingly, under Resolution 4, the Company seeks from Shareholders approval for the issue of the Consideration Securities to the Vendors.

4.3 Listing Rule 14.1A

If Resolution 4 is passed (along with Resolution 3 and, if the relevant condition has not been waived under the Majority SPA, Resolution 5), the Company will be able to proceed with the Proposed Transaction and the issue of the Consideration Securities will be excluded in calculating the Company's 15% limit in Listing Rule 7.1, effectively increasing the number of Equity Securities the Company can issue without Shareholder approval over the 12-month period following the date of issue of the Consideration Securities.

If Resolution 4 is not passed, the Company will not be able to proceed with the Proposed Transaction, the Company will not issue the Consideration Securities and the Company will return the proceeds of any subscriptions raised under the Placement (other than funds raised by the issue of the Tranche 1 Placement Shares). In these circumstances, certain transaction costs including advisory fees will still be payable by the Company. Failure to complete the Proposed Transaction, and/or any action required to be taken to return capital, may have an adverse impact on the Company's financial performance, financial position, and share price.

4.4 Technical information required by Listing Rule 7.3

Pursuant to and in accordance with Listing Rule 7.3, the following information is provided in relation to Resolution 4:

(a) **Identity of the persons to whom securities are to be issued**

The Consideration Securities will be issued to each of:

- (i) the Majority Vendors, being Vestigo Pty Ltd (ACN 602 323 473), Ravikan Garner, Serpentine International Pty Ltd (ACN 681 303 668), Ohio Enterprises Pty Ltd (ACN 092 056 212) and Zava Corporation Pty Ltd (ACN 159 180 597); and
- (ii) the Minority Vendors,
(or their respective nominees).

The Vendors are the current holders of all of the securities in Serpentine.

None of the Minority Vendors or the Majority Vendors are material investors.³

(b) **The number and class of securities issued or agreed to issue**

The maximum number of securities to be issued to the Vendors (in aggregate) is as follows:

- (i) 33,605,001 Consideration Shares to the Majority Vendors;
- (ii) 13,405,455 Consideration Options to the Majority Vendors;
- (iii) 73,394,999 Consideration Shares to the Minority Vendors; and
- (iv) 13,344,545 Consideration Options to the Minority Vendors,
in proportion to their respective security holdings in Serpentine.

³ ASX consider the following to be material investors:

- (i). a related party of the entity;
- (ii). a member of the entity's Key Management Personnel;
- (iii). a substantial holder in the entity;
- (iv). an adviser to the entity; or
- (v). an associate of any of the above,

where such person or entity is being issued more than 1% of the entity's current issued capital.

- (c) **A summary of the material terms of the securities, if not all fully paid ordinary securities**
- The Consideration Shares are fully paid ordinary shares in the Company and will rank equally with existing Shares on issue. The Company will apply for official quotation of the Consideration Shares.
- The Consideration Shares will be subject to voluntary escrow as follows:
- (i) 25% of the Consideration Shares – 3-month escrow;
 - (ii) 25% of the Consideration Shares – 6-month escrow;
 - (iii) 25% of the Consideration Shares – 12-month escrow; and
 - (iv) 25% of the Consideration Shares – no escrow.
- The Consideration Options will be issued on the terms set out in Schedule 2 of this Notice of Meeting.
- (d) **Issue date**
- It is anticipated that, subject to Shareholder approval being obtained and any other conditions under the Share Purchase Agreements being satisfied to permit the Proposed Transaction to complete, the Consideration Securities will be issued on or about February 2025 and in any event no later than 3 months (or such later date permitted by ASX) from the date of the Meeting.
- (e) **Issue price**
- The Consideration Shares will be issued at a deemed issue price of \$0.10 per Share (\$10.7 million in aggregate) in part consideration for the Proposed Transaction.
- The Consideration Options will be issued for no further consideration. The exercise price for each Consideration Option is \$0.15 per Option. The full terms and conditions of the Consideration Options are set out in Schedule 2 of this Notice of Meeting.
- (f) **Purpose of the issue**
- The Consideration Securities are to be issued in consideration for the Proposed Transaction pursuant to the Share Purchase Agreements. No funds are being raised by the issue of the Consideration Securities (other than by the exercise of the Consideration Options).
- For further information in relation to the Proposed Transaction, please refer to the Company's ASX Announcement dated 4 December 2024.
- (g) **Issued under an agreement**
- The Consideration Securities will be issued pursuant to the Share Purchase Agreements, a summary of which is contained in Schedule 1 of this Notice of Meeting.
- (j) **Reverse takeover**
- The Consideration Securities are not being issued under, or to fund, a reverse takeover.
- (h) **Voting exclusion**
- A voting exclusion statement for Resolution 4 is included in the Notice of Meeting preceding this Explanatory Statement.

4.5 Board Recommendation

The Board unanimously recommends that Shareholders vote in favour of Resolution 4 as it will enable the Company to proceed with the Proposed Transaction.

5. RESOLUTION 5 – APPROVAL TO ISSUE PERFORMANCE RIGHTS TO MR LUKE VELTEROP (OR HIS NOMINEE)

5.1 Background

The background to the Performance Rights and the Proposed Transaction is set out in Section 1 of this Notice of Meeting.

Resolution 5 seeks Shareholder approval for the issue of 30,000,000 Performance Rights to Mr Luke Velterop (or his nominee) for the purposes of Listing Rule 7.1.

5.2 Listing Rule 7.1

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.

The issue of the Performance Rights does not fit within any of these exceptions and, as they have not yet been approved by Shareholders, they effectively use up part of the 15% limit in Listing Rule 7.1, reducing the Company's capacity to issue further Equity Securities without Shareholder approval under Listing Rule 7.1 for the 12-month period following the date of issue of the Performance Rights.

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

Accordingly, under Resolution 5, the Company seeks from Shareholders approval for the issue of the Performance Rights to Mr Luke Velterop (or his nominee).

5.3 Listing Rule 14.1A

If Resolution 5 is passed (along with Resolutions 3 and 4), or the relevant condition that requires it has been waived in accordance with the Majority SPA, the Company will be able to proceed with the Proposed Transaction and the issue of the Performance Rights will be excluded in calculating the Company's 15% limit in Listing Rule 7.1, effectively increasing the number of Equity Securities the Company can issue without Shareholder approval over the 12-month period following the date of issue of the Performance Rights.

If Resolution 5 is not passed (and the relevant condition has not been waived in accordance with the Majority SPA), the Company will not be able to proceed with the Proposed Transaction, the Company will not issue the Performance Rights and the Company will return the proceeds of any subscriptions raised under the Placement (other than funds raised by the issue of the Tranche 1 Placement Shares). In these circumstances, certain transaction costs including advisory fees will still be payable by the Company. Failure to complete the Proposed Transaction, and/or any action required to be taken to return capital, may have an adverse impact on the Company's financial performance, financial position, and share price.

5.4 Technical information required by Listing Rule 7.3

Pursuant to and in accordance with Listing Rule 7.3, the following information is provided in relation to Resolution 5:

(a) **Identity of the persons to whom securities are to be issued**

The Performance Rights are to be issued to Mr Luke Velterop (or his nominee).

Mr Velterop is not a related party of the Company, but is considered to be a material investor on the basis that Mr Velterop is an adviser to the Company and is being issued more than 1% of the Company's issued capital.

(b) **The number and class of securities issued or agreed to issue**

The Company will issue up to 30,000,000 Performance Rights pursuant to Listing Rule 7.1.

(c) **A summary of the material terms of the securities, if not all fully paid ordinary securities**

The Performance Rights will be issued on the terms set out in Schedule 3 of this Notice of Meeting.

(d) **Issue date**

The Company anticipates issuing the Performance Rights on or about February 2025 and in any event, within 3 months (or such later date permitted by ASX) of the date of the Meeting.

(e) **Issue price**

The Performance Rights are being issued for no consideration.

The full terms and conditions of the Performance Rights are set out in Schedule 3 of this Notice of Meeting.

(f) **Purpose of the issue**

The Performance Rights are to be issued to Mr Luke Velterop in consideration for services provided in connection with the Company's US hydrogen operations.

(g) **Issued under an agreement**

The Performance Rights are being issued pursuant to the Services Letter, the material terms of which are set out in Schedule 4 of this Notice of Meeting.

(k) **Reverse takeover**

The Performance Shares are not being issued under, or to fund, a reverse takeover.

(h) **Voting exclusion**

A voting exclusion statement for each of Resolution 5 is included in the Notice of Meeting preceding this Explanatory Statement.

5.5 Board Recommendation

The Board unanimously recommends that Shareholders vote in favour of Resolution 5 as it will enable the Company to proceed with the Proposed Transaction.

6. RESOLUTION 6 – APPROVAL TO ISSUE FACILITATION SECURITIES TO INYATI CAPITAL PTY LTD

6.1 Background

The background to the Facilitation Securities and the Proposed Transaction is set out in Section 1 of this Notice of Meeting.

Resolution 6 seeks Shareholder approval for the issue of 16,500,000 Shares and 4,012,500 Options to Inyati (or its nominee) for the purposes of Listing Rule 7.1.

Resolution 6 is subject to Resolutions 1 to 4 being passed and will only be issued if the Company completes the Proposed Transaction.

6.2 Listing Rule 7.1

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.

The issue of the Facilitation Securities does not fit within any of these exceptions and, as they have not yet been approved by Shareholders, they effectively use up part of the 15% limit in Listing Rule 7.1, reducing the Company's capacity to issue further Equity Securities without Shareholder approval under Listing Rule 7.1 for the 12-month period following the date of issue of the Facilitation Securities.

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

Accordingly, under Resolution 6, the Company seeks from Shareholders approval for the issue of the Facilitation Securities to Inyati (or its nominee).

6.3 Listing Rule 14.1A

If Resolution 6 is passed, the issue of the Facilitation Securities will be excluded in calculating the Company's 15% limit in Listing Rule 7.1, effectively increasing the number of Equity Securities the Company can issue without Shareholder approval over the 12-month period following the date of issue of the Facilitation Securities.

If Resolution 6 is not passed, the Company may, subject to the passing of Resolutions 1 and 2 and Completion occurring, still proceed with the issue of the Facilitation Securities, but the issue will use up part of the Company's 15% limit under Listing Rule 7.1 (if available), effectively decreasing the number of Equity Securities the Company can issue without Shareholder approval over the 12-month period following the date of issue of the Facilitation Securities.

6.4 Technical information required by Listing Rule 7.3

Pursuant to and in accordance with Listing Rule 7.3, the following information is provided in relation to Resolution 6:

(a) **Identity of the persons to whom securities are to be issued**

The Facilitation Securities are to be issued to Inyati (or its nominee).

Inyati is not a related party of the Company, but is considered to be a material investor on the basis that Inyati is an adviser to the Company and is being issued more than 1% of the Company's issued capital.

(b) **The number and class of securities issued or agreed to issue**

The Company will issue up to 16,500,000 Shares and 4,012,500 Options pursuant to Listing Rule 7.1 on the terms set out in Schedule 2.

(c) **A summary of the material terms of the securities, if not all fully paid ordinary securities**

The Shares comprising the Facilitation Securities are fully paid ordinary shares in the Company and will rank equally with existing Shares on issue.

The Shares comprising the Facilitation Securities will be subject to voluntary escrow as follows:

- (i) 25% – 3-month escrow;
- (ii) 25% – 6-month escrow;
- (iii) 25% – 12-month escrow; and
- (iv) 25% – no escrow.

The Options comprising the Facilitation Securities will be issued on the terms set out in Schedule 2 of this Notice of Meeting.

(d) **Issue date**

The Company anticipates issuing the Facilitation Securities on or about February 2025 and in any event, within 3 months (or such later date permitted by ASX) of the date of the Meeting.

(e) **Issue price**

The Shares comprising the Facilitation Securities will be issued at a deemed issue price of \$0.10 per Share (\$1.65 million in aggregate).

The Options comprising the Facilitation Securities will be issued for no further consideration. The exercise price for each Option comprising the Facilitation Securities is \$0.15 per Option. The full terms and conditions of the Options are set out in Schedule 2 of this Notice of Meeting.

(f) **Purpose of the issue**

The Facilitation Securities are to be issued to Inyati in consideration for their involvement in introducing the Proposed Transaction to the Company.

For further information in relation to the Proposed Transaction, please refer to the Company's ASX Announcement dated 4 December 2024.

(g) **Issued under an agreement**

The Facilitation Securities are not being issued pursuant to an agreement.

The material terms of the arrangement with Inyati are that, in the event that they introduce and facilitate the negotiation and completion of a transaction with the introduced party, that they shall be entitled to a facilitation fee equal to 15% of the consideration for the transaction, on materially the same terms as the transaction.

(h) **Voting exclusion**

A voting exclusion statement for Resolution 6 is included in the Notice of Meeting preceding this Explanatory Statement.

6.5 Board Recommendation

The Board unanimously recommends that Shareholders vote in favour of Resolution 6.

7. RESOLUTION 7 – APPROVAL TO ISSUE OPTIONS TO HOLDERS OF AFSLs

7.1 Background

The background to the AFSL Options and the Proposed Transaction is set out in Section 1 of this Notice of Meeting.

Resolution 7 seeks Shareholder approval for the issue of 8,000,000 Options (in aggregate) to holders of AFSLs (or their respective nominees) who assisted Inyati with the Placement for the purposes of Listing Rule 7.1.

The terms of the AFSL Options are set out in Schedule 2. The AFSL Options will be issued for cash consideration of \$0.00001 each.

7.2 Listing Rule 7.1

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.

The issue of the AFSL Options does not fit within any of these exceptions and, as they have not yet been approved by Shareholders, they effectively use up part of the 15% limit in Listing Rule 7.1, reducing the Company's capacity to issue further Equity Securities without Shareholder approval under Listing Rule 7.1 for the 12-month period following the date of issue of the AFSL Options.

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

Accordingly, under Resolution 7, the Company seeks from Shareholders approval for the issue of the AFSL Options to holders of AFSLs (or their respective nominees) who assisted Inyati with the Placement.

7.3 Listing Rule 14.1A

If Resolution 7 is passed, the Company will be able to issue the AFSL Options and the AFSL Options will be excluded in calculating the Company's 15% limit in Listing Rule 7.1, effectively increasing the number of Equity Securities the Company can issue without Shareholder approval over the 12-month period following the date of issue of the AFSL Options.

If Resolution 7 is not passed, the Company may, subject to the passing of Resolutions 1 and 2 and Completion occurring, still proceed with the issue of the AFSL Options, but the issue will use up part of the Company's 15% limit under Listing Rule 7.1, effectively decreasing the number of Equity Securities the Company can issue without Shareholder approval over the 12-month period following the date of issue of the AFSL Options.

7.4 Technical information required by Listing Rule 7.3

Pursuant to and in accordance with Listing Rule 7.3, the following information is provided in relation to Resolution 7:

(a) **Identity of the persons to whom securities are to be issued**

The AFSL Options are to be issued to holders of AFSLs (or their respective nominees) who assisted Inyati with the Placement.

The holders of the AFSLs are not material investors.⁴

⁴ ASX consider the following to be material investors:

- (i). a related party of the entity;
- (ii). a member of the entity's Key Management Personnel;
- (iii). a substantial holder in the entity;
- (iv). an adviser to the entity; or
- (v). an associate of any of the above,

where such person or entity is being issued more than 1% of the entity's current issued capital.

- (b) **The number and class of securities issued or agreed to issue**
The Company will issue up to 8,000,000 Options pursuant to Listing Rule 7.1.
- (c) **A summary of the material terms of the securities, if not all fully paid ordinary securities**
The AFSL Options will be issued on the terms set out in Schedule 2 of this Notice of Meeting. Each AFSL Option will be issued for cash consideration of \$0.00001 each.
- (d) **Issue date**
The Company anticipates issuing the AFSL Options on or about February 2025 and in any event, within 3 months (or such later date permitted by ASX) of the date of the Meeting.
- (e) **Issue price**
The AFSL Options will be issued at \$0.00001 per AFSL Option.
- (f) **Purpose of the issue**
The AFSL Options are to be issued to holders of AFSLs who assisted Inyati with the Placement.

For further information in relation to the Proposed Transaction, please refer to the Company's ASX Announcement dated 4 December 2024.
- (g) **Issued under an agreement**
The AFSL Options are being issued pursuant to the Lead Manager Agreement, the material terms of which are set out in Schedule 5 of this Notice of Meeting.
- (h) **Voting exclusion**
A voting exclusion statement for each of Resolution 7 is included in the Notice of Meeting preceding this Explanatory Statement.

7.5 Board Recommendation

The Board unanimously recommends that Shareholders vote in favour of Resolution 7.

8. RESOLUTIONS 8 TO 10 – APPROVAL TO ISSUE OPTIONS TO DIRECTORS – MESSRS CORREIA, SOMOFF AND BURKE (OR THEIR RESPECTIVE NOMINEES)

8.1 Background

The Background to the Board Options and the Proposed Transaction is set out in Section 1 of this Notice of Meeting.

8.2 Listing Rule 14.1A

If Resolutions 8, 9 and 10 are passed and Completion occurs, the Company will be able to issue the Board Options to Messrs Correia, Somoff and Burke (or their respective nominees) and the issue of the Board Options will be excluded in calculating the Company's 15% limit in Listing Rule 7.1, effectively increasing the number of Equity Securities the Company can issue without Shareholder approval over the 12-month period following the date of issue of the Board Options.

If Resolutions 8, 9 and 10 are not passed, the Company will not be able to issue the Board Options to Messrs Correia, Somoff and Burke (or their respective nominees).

8.3 Regulatory requirements – ASX Listing Rules

Listing Rule 10.11 provides that unless one of the exceptions in Listing Rule 10.12 applies, a listed company must not issue, or agree to issue, Equity Securities to:

- (a) a related party (Listing Rule 10.11.1);
- (b) a person who is, or was at any time in the last 6 months before the issue or agreement, a substantial (30%+) holder in the company (Listing Rule 10.11.2);
- (c) a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (10%+) holder in the company who has nominated a director to the board of the

company pursuant to a relevant agreement which gives them a right or expectation to do so (Listing Rule 10.11.3);

- (d) an Associate of a person referred to in Listing Rule 10.11.1-10.11.3 (Listing Rule 10.11.4); or
- (e) a person whose relationship with the company or a person referred to in Listing Rule 10.11.1-10.11.3 is such that, in ASX's opinion, the issue or agreement should be approved by shareholders (Listing Rule 10.11.5),

unless it obtains the approval of its shareholders.

The issue of the Board Options falls within Listing Rule 10.11.1 by reason of Messrs Correia, Somoff and Burke each being a Director of the Company and does not fall within any of the exceptions in Listing Rule 10.12. The Company therefore requires the approval of Shareholders under Listing Rule 10.11.

Resolutions 8, 9 and 10 seek Shareholder approval for the issue of the Board Options under and for the purposes of Listing Rule 10.11. As Shareholder approval is being sought under Listing Rule 10.11, approval is not also required under Listing Rule 7.1 (as a result of Exception 14 in Listing Rule 7.2). Resolutions 8, 9 and 10 are independent of one another.

8.4 Regulatory Requirements – 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.

Messrs Correia, Somoff and Burke are each a Related Party of the Company by virtue of being Directors of the Company.

The Board (other than Mr Correia in respect of Resolution 8, Mr Somoff in respect of Resolution 9 and Mr Burke in respect of Resolution 10) has considered the application of Chapter 2E of the Corporations Act to the proposed issue of Board Options to Messrs Correia, Somoff and Burke and considers that the financial benefit given by the grant of the Board Options constitutes reasonable remuneration within the meaning of section 211(1) of the Corporations Act as the Company wishes to maximise the use of its cash resources towards the Company's development and equity based incentives, such as options, are used to supplement cash based remuneration.

In addition, to ensure the Company can attract and retain the right talent and align the interests of directors with those of shareholders, the Board considers it is important for the Company to offer incentives to its Directors that are in line with market practice.

For the reasons set out above, the Company is not seeking Shareholder approval for the issue of the Board Options pursuant to section 208 of the Corporations Act in addition to the approvals being sought under the Listing Rules for the grants of Board Options to Messrs Correia, Somoff and Burke.

8.5 Section 195(4) of the Corporations Act

Each of the Directors has a material personal interest in the outcome of Resolutions 8, 9 and 10 in this Notice of Meeting by virtue of the fact that Resolutions 8, 9 and 10 are concerned with the issue of Options to Directors.

Section 195 of the Corporations Act essentially provides that a director of a public company may not vote or be present during meetings of directors when matters in which that director holds a material personal interest are being considered.

In the absence of Shareholder approval under section 195(4) of the Corporations Act, the Directors may not be able to form a quorum at Board meetings necessary to carry out the terms of these Resolutions.

The Directors have accordingly exercised their right under section 195(4) of the Corporations Act to put the issue to Shareholders to determine.

8.6 Technical information required by Listing Rule 10.13

In compliance with the information requirements of Listing Rule 10.13, the following information is provided in relation to Resolutions 9, 10 and 11.

(a) **Name of person to receive securities**

The Board Options will be issued to Mr Correia (in relation to Resolution 8), Mr Somoff (in relation to Resolution 9) and Mr Burke (in relation to Resolution 10) (or their respective nominees), as noted above.

(b) **Nature of relationship between person to receive securities and the Company**

Messrs Correia, Somoff and Burke are each a related party of the Company by virtue of being Directors of the Company and are accordingly captured under Listing Rule 10.11.1.

(c) **Maximum number and class of securities to be issued**

The number of Board Options to be issued is up to 7,500,000 (in relation to Resolution 8), up to 5,000,000 in relation to Resolution 9) and up to 10,000,000 (in relation to Resolution 10).

(d) **Material terms of the Securities**

The terms of the Board Options are set out in Schedule 2 of this Notice of Meeting.

(e) **Date of issue**

The Company anticipates issuing the Board Options on or about February 2025, but in any event, no later than one (1) month after the date of this Meeting, or such later date as approved by ASX.

(f) **Issue price**

The Board Options will be issued for no consideration.

(g) **Purpose of the issue, including intended use of the funds raised**

As noted in Section 1.4, the purpose of the issue of the Board Options is to provide a performance-linked incentive, align the interests of Directors with Shareholders and to reward performance in connection with the Proposed Transaction.

In addition, the Company is also proposing to issue 5,000,000 Options to Mr Patrick Burke, which he is entitled to receive under his terms of employment as Executive Chair of the Company, as announced on 4 December 2024.

(h) **Remuneration package of related parties**

Details of the current remuneration package for Messrs Correia, Somoff and Burke is set out below.

Director	Salary and Fees (incl super)	Options	Performance Rights	Share based payments	Total Salary and Fees
Mr Emmanuel Correia	\$66,900	-	-	-	\$66,900
Mr Andrew Somoff ¹	\$60,000	-	-	-	\$60,000
Mr Patrick Burke	\$200,700	-	-	-	\$200,700

Note:

1. In addition to his salary as a Director, Mr Somoff also provides consulting services to the Company as required pursuant to a consulting agreement for which he receives \$2,000 per day.

(i) **Relevant agreement**

Other than the 5,000,000 Options to be issued to Mr Burke in accordance with his terms of employment as Executive Chair, the Board Options will not be issued under an agreement.

(j) **Voting exclusion statement**

A voting exclusion statement has been included for the purposes of Resolutions 8, 9 and 10. Shareholders are urged to carefully read the Proxy Form and provide a direction to the proxy on how to vote on Resolutions 8, 9 and 10.

8.7 Board Recommendation

The Directors (other than Mr Correia in respect of Resolution 8, Mr Somoff in respect of Resolution 9 and Mr Burke in respect of Resolution 10) recommend that Shareholders vote in favour of Resolutions 8, 9 and 10.

Mr Correia declines to make a recommendation about Resolution 8 as he has a material personal interest in the outcome of Resolution 8 as it relates to the proposed issue of Options to him (or his nominee).

Mr Somoff declines to make a recommendation about Resolution 9 as he has a material personal interest in the outcome of Resolution 9 as it relates to the proposed issue of Options to him (or his nominee).

Mr Burke declines to make a recommendation about Resolution 10 as he has a material personal interest in the outcome of Resolution 10 as it relates to the proposed issue of Options to him (or his nominee).

GLOSSARY

In this Explanatory Statement, the following terms have the following unless the context otherwise requires:

AFSL	means an Australian Financial Services Licence;
AFSL Options	means the 8,000,000 Options to be issued to holders of AFSLs who assisted Inyati with the Placement, the subject of Resolution 7;
AWST	means Australian Western Standard Time;
Associate	the meaning given to that term in the Listing Rules;
ASX	ASX Limited or the securities market operated by ASX Limited, as the context requires;
Board	board of Directors;
Board Options	means up to 22,500,000 Options (in aggregate) to be issued to the Board the subject of Resolutions 8, 9 and 10;
Chair	chair of the Meeting;
Company	Top End Energy Limited (ACN 650 478 774);
Completion	means completion of the Proposed Transaction, being the date when all conditions under the Share Purchase Agreements are satisfied and the sale and purchase of the Serpentine securities takes place;
Consideration Options	means the 26,750,000 Options (in aggregate) to be issued to the Vendors in consideration for the Proposed Transaction pursuant to the Share Purchase Agreements;
Consideration Securities	means the 107,000,000 Shares and 26,750,000 Options (in aggregate) to be issued to the Vendors in consideration for the Proposed Transaction pursuant to the Share Purchase Agreements;
Consideration Shares	means the 107,000,000 Shares (in aggregate) to be issued to the Vendors in consideration for the Proposed Transaction pursuant to the Share Purchase Agreements;
Constitution	constitution of the Company;
Corporations Act	<i>Corporations Act 2001</i> (Cth);
Director	director of the Company;
Equity Securities	has the meaning given to that term in the Listing Rules;
Explanatory Statement	the explanatory statement that accompanies this Notice of Meeting;
Facilitation Securities	means the 16,500,000 Shares and 4,012,500 Options to be issued to Inyati in consideration for introducing the Proposed Transaction to the Company, the subject of Resolution 6;

Inyati	means Inyati Capital Pty Ltd (ACN 642 351 193);
Key Management Personnel	key management personnel of the Company (as defined in section 9 of the Corporations Act);
Lead Manager Agreement	means the lead manager agreement entered into by the Company and Inyati on or about 27 November 2024 in relation to the Placement, the material terms of which are set out in Schedule 5 of this Notice of Meeting;
Listing Rules	means the listing rules of the ASX;
Majority SPA	means the share purchase agreement entered into by the Company and the Majority Vendors pursuant to which the Majority Vendors agree to sell (in respect of those securities in Serpentine that they hold) and procure to sell in respect of all remaining securities in Serpentine held by the Minority Vendors;
Majority Vendors	means Vestigo Pty Ltd (ACN 602 323 473), Ravikan Garner, Serpentine International Pty Ltd (ACN 681 303 668), Ohio Enterprises Pty Ltd (ACN 092 056 212) and Zava Corporation Pty Ltd (ACN 159 180 597), each of whom has agreed to sell their securities in Serpentine to the Company pursuant to the Majority SPA;
Meeting or Extraordinary General Meeting	the general meeting convened by this Notice of Meeting;
Minority SPA	means the share purchase agreement entered into by the Company and the Minority Vendors pursuant to which the Minority Vendors have agreed to sell, and the Company has agreed to purchase, the shares in Serpentine held by the Minority Vendors;
Minority Vendors	the minority vendors of Serpentine who have agreed to sell their securities in Serpentine to the Company pursuant to the Share Purchase Agreements;
Notice of Meeting or Notice	this notice of Extraordinary General Meeting;
Option	means an option to subscribe for a Share, the terms of which are set out in Schedule 2 of this Notice of Meeting;
Performance Rights	means the 30,000,000 Performance Rights to be issued to Mr Luke Velterop (or his nominee) on the terms and conditions set out in Schedule 3 (the subject of Resolution 5);
Placement	has the meaning in section 1.2 of the Explanatory Statement;
Proposed Transaction	has the meaning in section 1.1 of the Explanatory Statement;
Proxy Form	the proxy form enclosed with this Notice of Meeting;
Resolution	resolution contained in this Notice of Meeting;
Serpentine	means Serpentine Energy Pty Ltd (ACN 671 865 526);

Serpentine Natural Hydrogen Project	means Serpentine's natural hydrogen gas project comprised of approximately 105 oil and gas leases located in the Marshall, Washington and Riley counties of Kansas, United States;
Services Letter	means the services letter entered into by the Company and Mr Luke Velterop, pursuant to which the Company has appointed Mr Velterop as Vice President, US Operations, the material terms of which are set out in Schedule 4 of this Notice of Meeting;
Share	fully paid ordinary share in the Company;
Share Purchase Agreements	means the Majority SPA and Minority SPA, the material terms of which are summarised in Schedule 1 of this Notice of Meeting;
Shareholder	holder of a Share in the Company;
Tranche 1 Placement Shares	has the meaning in section 1.2 of the Explanatory Statement;
Tranche 2 Placement Shares	has the meaning in section 1.2 of the Explanatory Statement; and
Vendors	means the Minority and Majority Vendors.

Schedule 1 – Summary of Share Purchase Agreements

Majority SPA

A summary of the material terms of the Majority SPA is set out below:

- (a) **(Sale and Purchase)** The Majority Vendors agree to sell to the Company and the Company agrees to purchase from each Majority Vendor, the full legal, beneficial and indefeasible title to the Serpentine shares and options held by the Majority Vendors, free from encumbrances.
- (b) **(Initial Payment)** The Company has made an initial payment of \$300,000 (in aggregate) to Serpentine on execution of the Majority SPA.
- (c) **(Consideration)** The Company has agreed to issue 33,605,001 Consideration Shares and 13,405,455 Consideration Options to the Majority Vendors (in aggregate) in proportion to their respective security holdings in Serpentine.
- (d) **(Escrow)** The Consideration Shares to be issue to the Majority Vendors will be subject to a voluntary period of escrow as follows:
 - (i) 25% of the Consideration Shares – no escrow;
 - (ii) 25% of the Consideration Shares – 3 months form issue date;
 - (iii) 25% of the Consideration Shares – 6 months form issue date; and
 - (iv) 25% of the Consideration Shares – 12 months form issue date.
- (e) **(Conditions)** Completion under the Majority SPA is subject to the following conditions **(Conditions)**:
 - (i) entry into and completion under the Minority SPA;
 - (ii) the Company raising not less than \$4 million and up to \$6 million by way of the placement of Company Shares;
 - (iii) the Company completing its due diligence investigations with respect to Serpentine and the results of those investigations being acceptable to the Company (acting reasonably);
 - (iv) the Company forming the view, acting reasonably, that Serpentine's balance sheet immediately prior to completion is materially consistent with the balance sheet of Serpentine (on a consolidated basis) as at 31 October 2024;
 - (v) the Company and Mr Luke Velterop entering into a services agreement materially on the terms as the Services Letter;
 - (vi) the Company obtaining all necessary Shareholder and regulatory approvals to enable completion to occur (including the issue of the Consideration Securities); and
 - (vii) all of the Serpentine options (not being acquired by the Company) being exercised by their respective holders as at the date of the Majority SPA.
- (f) **(Completion)** Subject to the Conditions being satisfied or waived (as applicable), completion under the Majority and Minority SPAs will occur contemporaneously.
- (g) **(Prospectus)** The Company undertakes to the Majority Vendors that it will lodge a transaction specific prospectus with the Australian Securities and Investments Commission to facilitate the issue and secondary sale of the Consideration Securities to be issued to the Majority Vendors.
- (h) **(Termination)** The Majority SPA contains mutual termination rights in the event of a material breach of a party's obligations under the Majority SPA or a material breach of a party's warranty.
- (i) **(Other terms)** The Majority SPA otherwise contains standard terms, including separate warranties given by the Majority Vendors, that are considered standard for agreements of its nature.

Minority SPA

A summary of the Minority SPA is set out below:

- (a) **(Sale and Purchase)** The Minority Vendors agree to sell to the Company and the Company agrees to purchase from each Minority Vendor, the full legal, beneficial and indefeasible title to the Serpentine shares held by the Minority Vendors, free from encumbrances.
- (b) **(Consideration)** The Company has agreed to issue 73,394,999 Consideration Shares and 13,344,545 Consideration Options to the Minority Vendors (in aggregate) in proportion to their respective security holdings in Serpentine.
- (c) **(Escrow)** The Consideration Shares to be issued to the Minority Vendors will be subject to a voluntary period of escrow as follows:
 - (i) 25% of the Consideration Shares – no escrow;
 - (ii) 25% of the Consideration Shares – 3 months form issue date;
 - (iii) 25% of the Consideration Shares – 6 months form issue date; and
 - (iv) 25% of the Consideration Shares – 12 months form issue date.
- (d) **(Conditions)** Completion under the Minority SPA is conditional upon completion occurring under the Majority SPA **(Condition)**.
- (e) **(Completion)** Completion under the Minority SPA will occur contemporaneously with completion under the Majority SPA.
- (f) **(Prospectus)** The Company undertakes to the Minority Vendors that it will lodge a transaction specific prospectus with the Australian Securities and Investments Commission to facilitate the issue and secondary sale of the Consideration Securities to be issued to the Minority Vendors.
- (g) **(Termination)** The Minority SPA contains mutual termination rights in the event of a material breach of a party's obligations under the Minority SPA or a material breach of a party's warranty.
- (h) **(Other terms)** The Minority SPA otherwise contain standard terms, including separate warranties given by the Minority Vendors, that are considered standard for agreements of its nature.

Schedule 2 – Option Terms

The Options will be issued on the following terms and conditions:

- (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 \$0.15 **(Exercise Price)**.
- (c) **(Expiry Date)** Each Option will expire at 5:00 pm (AWST) 3 years from the date of issue **(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) **(Quotation)** The Company will apply for official quotation of the Options on ASX, subject to satisfying ASX's requirements for their quotation.
- (f) **(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.
- (g) **(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)**.
- (h) **(Timing of issue of Shares on exercise)** Within five Business Days after the Exercise Date, the Company will:
 - (i) 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 (h)(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.

- (i) **(Shares issued on exercise)** Shares issued on exercise of the Options rank equally with the then issued shares of the Company.
- (j) **(Reconstruction of capital)** If at any time the issued capital of the Company is reconstructed, all rights of an Option holder 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) **(Transferability)** The Options are transferable subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities laws.

Schedule 3 – Performance Rights Terms

The Performance Rights will be issued on the following terms and conditions:

- (a) **(Vesting conditions):** Subject to the terms and conditions below, each Performance Right is convertible into one (1) Share, upon satisfaction of the following vesting conditions (**Vesting Condition**):

Performance Rights	Vesting Condition	Expiry Date
7,500,000	The Company reaching a lease holding of 25,000 acres at the Serpentine Natural Hydrogen Project, with all acres acquired post-completion of the Proposed Transaction to be contiguous to existing leases and/or consistent with the Company's geological model.	2 years from issue.
7,500,000	The Company reaching a share price of not less than \$0.25 or a market capitalisation of \$62.5 million (in each case based on a 20-day VWAP).	2 years from issue.
7,500,000	The drilling of an exploration well on acreage owned by the Company with recovery from a primary reservoir of a gas sample (through well test or downhole sampling tool) containing greater than 50% combined volume of hydrogen and helium.	3 years from issue.
7,500,000	The Company announcing that it has secured an off-take or downstream joint venture partner in relation to the Serpentine Natural Hydrogen Project.	5 years from issue.

- (b) **(General terms):**

- (i) The Performance Rights shall lapse at 5.00pm (AWST) on the expiry date set out in the table in paragraph (a) (**Expiry Date**).
- (ii) The Performance Rights will be granted for nil consideration.
- (iii) The Board may, at its discretion, and by notice to the holder of a Performance Right (**Holder**), adjust or vary the terms of a Performance Right, subject to the requirements of the Listing Rules. No adjustment or variation to these terms will be made without the prior written consent of the Holder, if such adjustment or variation would have a materially prejudicial effect upon the Holder (in respect of their outstanding Performance Rights).
- (iv) The Performance Rights do not confer any right to vote at general meeting.
- (v) The Performance Rights do not entitle the Holder to any dividends.
- (vi) The Performance Rights do not entitle the Holder to participate in the surplus profits or assets of the Company upon winding up of the Company.
- (vii) The Performance Rights are not transferable.

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- (viii) The Performance Rights will not be quoted on ASX. However, upon conversion of the Performance Rights into Shares, the Company must, within five (5) business days after the conversion, apply for the official quotation of the Shares arising from the conversion on ASX.
- (ix) The Holder of Performance Rights will not be entitled to participate in new issues of securities offered to holders of Shares such as bonus issues and entitlement issues, unless and until the Holder is entitled to convert the Performance Rights, and does so before the record date for the determination of entitlements to the new issue of securities and participates as a result of being a holder of Shares.
- (x) If at any time the issued capital of the Company is reconstructed, all rights of a Performance Rights holder will be changed in a manner consistent with the applicable ASX Listing Rules and the Corporations Act at the time of reorganisation.

(c) **(Conversion of Performance Rights):**

- (i) The Holder may convert their Performance Rights into Shares by delivering to the Company Secretary, in the period between the relevant Vesting Condition being satisfied and the relevant Expiry Date:
 - (A) the certificate or holding statement for the Performance Rights; and
 - (B) a notice signed by the Holder stating the Holder wishes to convert the Performance Rights and specifying the number of Performance Rights which are to be converted.
- (ii) The Company shall issue to the Holder Shares, and deliver holding statements following conversion within 5 Business Days of receipt of receipt of the notice in paragraph (c)(i)(B).
- (iii) Shares issued following conversion of a Performance Right shall rank, from the date of issue, equally with existing Shares of the Company in all respects.

(d) **(Lapse of Performance Rights):** A Performance Right will lapse where:

- (i) the Holder ceases its appointment with the Company and the Vesting Condition has not been met (unless otherwise determined by the Board acting in sole and absolute discretion);
- (ii) the Vesting Conditions are unable to be satisfied; or
- (iii) the Expiry Date has passed,

whichever is earlier.

(e) **(Change of Control Event):** Upon any of the following:

- (i) a takeover bid under Chapter 6 of the Corporations Act having been made in respect of the Company and:
 - (A) having received acceptances for not less than 50.1% of the Company's Shares on issue; or
 - (B) having been declared unconditional by the bidder; or
- (ii) a Court granting orders approving a compromise or arrangement for the purposes of or in connection with a scheme of arrangement for the reconstruction of the Company or its amalgamation with any other company or companies;

then, to the extent Performance Rights have not converted into Shares due to satisfaction of the Vesting Condition, Performance Rights will immediately vest and automatically convert into Shares on a one-for-one basis.

- (f) **(Income Tax Assessment Act 1997)** Subdivision 83A-C of the *Income Tax Assessment Act 1997* is intended to apply to the Performance Rights, subject to the conditions in that Act.

Schedule 4 – Summary of Services Letter

On or about 23 November 2024, the Company entered into a services letter with Mr Luke Velterop, pursuant to which the Company has appointed Mr Velterop to perform certain services in relation to the Company's US hydrogen operations (**Services Letter**). A summary of the material terms of the Services Letter is set out below.

- (a) (**Appointment**) The Company has appointed Mr Luke Velterop on a full-time basis to act as Vice President US Operations, which includes being responsible for all aspects of the Serpentine Natural Hydrogen Project (subject to appropriate Board oversight).
- (b) (**Term**) The term of Mr Velterop's appointment commenced on execution of the Share Purchase Agreements and will continue under the Services Letter until replaced by the services agreement under paragraph (f) or terminated under paragraph (g).
- (c) (**Salary**) Mr Velterop is entitled to a salary of USD\$200,000 per annum, payable monthly in arrears.
- (d) (**Performance Rights**) Subject to completion of the Proposed Transaction and the Company obtaining Shareholder approval under Resolution 5, the Company will issue 30,000,000 Performance Rights to Mr Velterop (or his nominee) on the terms and conditions set out in Schedule 3 of this Notice of Meeting.
- (e) (**Mr Velterop's Obligations**) Mr Velterop is solely responsible for all US and Australian tax and visa obligations in connection with his appointment.
- (f) (**Services Agreement**) The Company and Mr Velterop will enter into a services agreement to replace the Services Letter prior to completion of the Proposed Transaction in accordance with the Majority SPA.
- (g) (**Termination**) The Services Letter will terminate if the Proposed Transaction does not complete by 31 March 2025.

For personal use only

Schedule 5 – Summary of Lead Manager Agreement

On or about 27 November 2024, the Company entered into a lead manager agreement (**Lead Manager Agreement**) with Inyati pursuant to which Inyati agreed to provide the Company with lead manager services in relation to the Placement. A summary of the material terms of the Lead Manager Agreement is set out below.

- (a) (**Term**) The Lead Manager Agreement is effective from 27 November 2024 until 27 May 2025, unless otherwise agreed by the parties in writing.
- (b) (**Services**) Inyati's services include lead managing and marketing the Placement together with managing the bookbuild process and assisting the Company (and its advisors) with the drafting of documentation and assisting with dealings with ASX and ASIC (**Services**).
- (c) (**Fees**) In return for the Services, the Company will pay Inyati the following fees, consisting of:
 - (i) a management fee of 2% (plus GST) of the gross proceeds raised under the Placement; and
 - (ii) a capital raising fee equal to 4% (plus GST) of the gross proceeds raised under the Placement.
- (d) (**AFSL Options**) Subject to completion of the Placement, Inyati (or its nominees) is entitled to receive 8 million Options. Inyati has agreed to issue the Options to holders of AFSLs who assisted Inyati with the Placement. The Options will be issued on the terms and conditions as set out in Schedule 2. Each AFSL Option will be issued for cash consideration of \$0.00001 each.
- (e) (**Additional engagements**) The Company agrees to negotiate in good faith with Inyati for the opportunity for Inyati to act as sole and exclusive lead manager to any equity or hybrid capital raising that the Company may decide to undertake during the period of 12 months from the earlier of completion of the Placement or termination of the Lead Manager Agreement.
- (f) (**Indemnity**) The Company will indemnify and hold Inyati harmless against all losses, claims, liabilities, damages, costs and expenses including, without limitation, reasonable legal expenses on a full indemnity basis and any other reasonable expenses.
- (g) (**Other**) The Lead Manager Agreement contains other terms and conditions that are considered standard for agreements of its nature.

Your proxy voting instruction must be received by **10.00am (AWST) on Sunday, 26 January 2025**, being **not later than 48 hours** before the commencement of the Scheme Meeting. Any Proxy Voting instructions received after that time will not be valid for the scheduled Scheme Meeting.

SUBMIT YOUR PROXY

Complete the form overleaf in accordance with the instructions set out below.

YOUR NAME AND ADDRESS

The name and address shown above is as it appears on the Company's share register. If this information is incorrect, and you have an Issuer Sponsored holding, you can update your address through the investor portal: <https://investor.automic.com.au/#/home> Shareholders sponsored by a broker should advise their broker of any changes.

STEP 1 – APPOINT A PROXY

If you wish to appoint someone other than the Chair of the Scheme Meeting as your proxy, please write the name of that Individual or body corporate. A proxy need not be a Shareholder of the Company. Otherwise if you leave this box blank, the Chair of the Scheme Meeting will be appointed as your proxy by default.

DEFAULT TO THE CHAIR OF THE SCHEME MEETING

Any directed proxies that are not voted on a poll at the Scheme Meeting will default to the Chair of the Scheme Meeting, who is required to vote these proxies as directed. Any undirected proxies that default to the Chair of the Scheme Meeting will be voted according to the instructions set out in this Proxy Voting Form, including where the Resolutions are connected directly or indirectly with the remuneration of Key Management Personnel.

STEP 2 - VOTES ON ITEMS OF BUSINESS

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

APPOINTMENT OF SECOND PROXY

You may appoint up to two proxies. If you appoint two proxies, you should complete two separate Proxy Voting Forms and specify the percentage or number each proxy may exercise. If you do not specify a percentage or number, each proxy may exercise half the votes. You must return both Proxy Voting Forms together. If you require an additional Proxy Voting Form, contact Automic Registry Services.

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 Shareholders should sign.

Power of attorney: If you have not already lodged the power of attorney with the registry, please attach a certified photocopy of the power of attorney to this Proxy Voting Form when you return it.

Companies: To be signed in accordance with your Constitution. Please sign in the appropriate box which indicates the office held by you.

Email Address: Please provide your email address in the space provided.

By providing your email address, you elect to receive all communications despatched by the Company electronically (where legally permissible) such as a Notice of Scheme Meeting, Proxy Voting Form and Annual Report via email.

CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Scheme Meeting the appropriate 'Appointment of Corporate Representative' should be produced prior to admission. A form may be obtained from the Company's share registry online at <https://automicgroup.com.au>.

Lodging your Proxy Voting Form:

Online

Use your computer or smartphone to appoint a proxy at <https://investor.automic.com.au/#/loginsah> or scan the QR code below using your smartphone

Login & Click on 'Meetings'. Use the Holder Number as shown at the top of this Proxy Voting Form.



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