

MARENICA ENERGY LIMITED

IMPORTANT INFORMATION IN REGARD TO SHAREHOLDER MEETING VOTING

In light of the global outbreak of the Coronavirus (COVID 19) and the guidance and restrictions on travel and public gatherings, the Board of Marenica Energy Limited ('**Company**') has decided that special arrangements will apply to our upcoming Shareholder Meeting.

Notice is hereby given that the Shareholder Meeting will be held at the office of Marenica Energy Limited, Office C1, 1139 Hay Street, West Perth on Wednesday, 3 June 2020 at 11am (WST), however,

IN THE INTERESTS OF PUBLIC HEALTH AND SAFETY, THE COMPANY IS STRONGLY DISCOURAGING SHAREHOLDERS FROM PHYSICALLY ATTENDING THE SHAREHOLDER MEETING. THE COMPANY ENCOURAGES SHAREHOLDERS TO LODGE PROXY VOTES WHICH MUST BE RECEIVED BY 11AM (WST) ON 1 JUNE 2020.

How Shareholders Can Participate:

1. Shareholders are strongly urged to **appoint the Chair of the Meeting as their proxy**. Shareholders can complete the proxy form to provide specific instructions on how a Shareholder's vote is to be exercised on each item of business, and the Chair of the Meeting must follow your instructions, unless he is prohibited from voting your proxy. Lodgement instructions are set out in the Proxy Form attached to the Notice of Meeting.
2. Shareholders may **submit questions in advance of the Shareholder Meeting** to the Company prior to 11am (WST) on 27 May 2020. Questions must be submitted by e-mailing shane.mcbride@marenicaenergy.com.au. At the Shareholder Meeting, the Company will provide responses to all valid questions received prior to 11am (WST) on 27 May 2020.
3. Shareholders may **listen to the Shareholder Meeting via telephone conference call** by dialling +61 8 6500 2107 at 11:00am (WST) on Wednesday, 3 June 2020. Shareholders who dial in to this conference call will be muted and will not be able to be heard at the Shareholder Meeting and, accordingly, the Company encourages Shareholders to submit questions in advance of the Shareholder Meeting as set out above.
4. The situation regarding COVID-19 is evolving rapidly and the Company is following the health advice of the Australian Government. Shareholders are encouraged to monitor the Company's ASX announcements and website for any further updates in relation to arrangement for the Company's Shareholder Meeting.

MARENICA ENERGY LIMITED

ACN 001 666 600

NOTICE OF GENERAL MEETING

Notice is given that the Meeting will be held at:

TIME: 11:00 (WST)

DATE: 3 June 2020

PLACE: The offices of Marenica Energy Limited
Office C1
1139 Hay Street
West Perth WA 6005

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

This Notice of Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered Shareholders at 5:00 pm (WST) on 1 June 2020.

In the interests of public health and safety in light of the global outbreak of the Coronavirus (COVID 19), the Company is strongly encouraging its Shareholders to not physically attend the Shareholder Meeting. Please refer to the front page of this Notice of Meeting for further information on how Shareholders can participate.

BUSINESS OF THE MEETING

AGENDA

1. RESOLUTION 1 – RATIFICATION OF PRIOR ISSUE OF TRANCHE 1 PLACEMENT SHARES AND OPTIONS UNDER LISTING RULE 7.1

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

“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 4,235,423 Shares and 13,157,894 Options on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of a person who participated in the issue or any associates of those persons. However, the Company need not disregard a vote if it is cast 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 that way; or
- (b) the chair of the Meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the chair to vote on the Resolution as the proxy 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; and
 - (ii) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

2. RESOLUTION 2 – APPROVAL TO ISSUE THE TRANCHE 2 PLACEMENT SHARES AND OPTIONS

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

“That, for the purposes of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue up to 10,297,369 Shares and 10,297,369 Options on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of a person who is expected to participate in, or 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 an associate of that person (or those persons). However, the Company need not disregard a vote if it is cast 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 that way; or
- (b) the chair of the Meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the chair to vote on the Resolution as the proxy 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; and
 - (ii) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

3. RESOLUTION 3 – APPROVAL TO ISSUE SHARES AND OPTIONS TO NELSON CHEN

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

“That, for the purposes of section 195(4) of the Corporations Act 2001 (Cth) and ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue up to 1,315,789 Shares and 1,315,789 Options to Mr Nelson Chen (or his nominees) on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion Statement: The Company will disregard any votes cast in favour of the Resolution by or on behalf of Nelson Chen (and his nominees) or any of their associates. However, the Company need not disregard a vote if it is cast 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 that way; or
- (b) the chair of the Meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the chair to vote on the Resolution as the proxy 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; and
 - (ii) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

4. RESOLUTION 4 – APPROVAL TO ISSUE SHARES AND OPTIONS TO ANDREW BANTOCK

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

“That, for the purposes of section 195(4) of the Corporations Act 2001 (Cth) and ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue up to 657,895 Shares and 657,895 Options to Mr Andrew Bantock (or his nominees) on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion Statement: The Company will disregard any votes cast in favour of the Resolution by or on behalf of Andrew Bantock (and his nominees) or any of their associates. However, the Company need not disregard a vote if it is cast 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 that way; or

- (b) the chair of the Meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the chair to vote on the Resolution as the proxy 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; and
 - (ii) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

5. RESOLUTION 5 – APPROVAL TO ISSUE SHARES AND OPTIONS TO MURRAY HILL

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

“That, for the purposes of section 195(4) of the Corporations Act 2001 (Cth) and ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue up to 921,053 Shares and 921,053 Options to Mr Murray Hill (or his nominees) on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion Statement: The Company will disregard any votes cast in favour of the Resolution by or on behalf of Murray Hill (and his nominees) or any of their associates. However, the Company need not disregard a vote if it is cast by 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 that way; or

- (a) the chair of the Meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the chair to vote on the Resolution as the proxy decides; or
- (b) 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; and
 - (ii) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

6. RESOLUTION 6 – APPROVAL TO ISSUE OPTIONS TO LEAD MANAGER

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

“That, for the purposes of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue up to 1,000,000 Options on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of Viriathus Capital Pty Ltd or any other person who is expected to participate in, or 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 an associate of that person (or those persons). However, the Company need not disregard a vote if it is cast 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 that way; or
- (b) the chair of the Meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the chair to vote on the Resolution as the proxy 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; and
 - (ii) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Dated: 1 May 2020

By order of the Board



Shane McBride
Company Secretary

Voting in person

In the interests of public health and safety in light of the global outbreak of the Coronavirus (COVID 19), the Company is strongly encouraging Shareholders not to physically attend the Meeting. If you do attend in person, you will need to abide by the processes and procedures declared by the Chair of the Meeting on the day.

Voting by proxy

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

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

- each Shareholder has a right to appoint a proxy;
- the proxy need not be a Shareholder of the Company; and
- a Shareholder who is entitled to cast 2 or more votes may appoint 2 proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the member appoints 2 proxies and the appointment does not specify the proportion or number of the member's votes, then in accordance with section 249X(3) of the Corporations Act, each proxy may exercise one-half of the votes.

Shareholders and their proxies should be aware that under the Corporations Act:

- if proxy holders vote, they must cast all directed proxies as directed; and
- any directed proxies which are not voted will automatically default to the Chair, who must vote the proxies as directed.

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on +61 8 6555 1816.

EXPLANATORY STATEMENT

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

1. BACKGROUND TO CAPITAL RAISING

On 9 April 2020, the Company announced a capital raising for the issue to sophisticated and professional investors of a total of 26,350,000 Shares and 26,350,000 free attaching Options to raise a total of \$1,001,300 comprising two tranches:

- (a) 13,157,894 Shares at an issue price of \$0.038 per Share (together with one free attaching Option for every Share subscribed for exercisable at \$0.10 on or before 30 June 2023 to raise a total of \$500,000.00 (before costs) (**Tranche 1 Placement**); and
- (b) 13,192,106 Shares at an issue price of \$0.038 per Share (together with one free attaching Option for every Share subscribed for exercisable at \$0.10 on or before 30 June 2023 to raise an additional amount of \$501,300.00 (before costs) (**Tranche 2 Placement**),

(together, the **Placement**).

Funds raised from the Placement will be applied to fund exploration studies on the Company's Namibian tenements and fund resource evaluation on the Australian tenements and for working capital.

The Shares and Options the subject of the Tranche 1 Placement were (and will be) issued out of the Company's 15% placement capacity under Listing Rule 7.1 and 10% placement capacity under ASX Listing Rule 7.1A as follows:

- (a) 4,235,423 Shares were issued, and 13,157,894 Option will be issued, under ASX Listing Rule 7.1; and
- (b) 8,922,471 Shares were issued under ASX Listing Rule 7.1A.

Resolution 1 seeks ratification of the Listing Rule 7.1 capacity used for the Tranche 1 Placement Shares and Options.

Resolution 2 seeks Shareholder approval for the issue of the Tranche 2 Placement Shares and Options (excluding the 2,894,737 Shares and 2,894,737 Options proposed to be issued to Directors Nelson Chen, Andrew Bantock and Murray Hill the subject of Resolutions 3, 4 and 5) as the Company does not have sufficient placement capacity to issue these without prior shareholder approval.

The Company will issue the Options that are the subject of the Placement under a prospectus to be issued after the Meeting.

Directors, Nelson Chen, Andrew Bantock and Murray Hill intend to participate in the Tranche 2 Placement. Resolutions 3, 4, and 5 seek Shareholder approval for the issue of Shares and Options to Messrs Chen, Bantock and Hill under the Placement.

The Company engaged Viriathus Capital Pty Ltd (**Viriathus Capital**) to act as Lead Manager to the Placement. The Company agreed to issue Viriathus

Capital or its nominees with 1,000,000 Options as part of their fee for services provided to the Company as Lead Manager of the Placement, subject to Shareholder approval. Resolution 6 seeks Shareholder approval for the issue to Viriathus Capital of the 1,000,000 Options.

2. RESOLUTION 1 – RATIFICATION OF PRIOR ISSUE OF THE TRANCHE 1 PLACEMENT SHARES AND OPTIONS UNDER LISTING RULE 7.1

2.1 General

Resolution 1 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of the Shares and Options the subject of the Tranche 1 Placement (**Ratification**).

2.2 ASX Listing Rules 7.1 and 7.4

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

ASX Listing Rule 7.4 sets out an exception to ASX Listing Rule 7.1. It provides that where a company in general meeting ratifies the previous issue of securities made pursuant to ASX Listing Rule 7.1 (and provided that the previous issue did not breach ASX Listing Rule 7.1) those securities will be deemed to have been made with shareholder approval for the purpose of ASX Listing Rule 7.1.

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

2.3 Technical information required by ASX Listing Rule 7.4

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

- (a) the Company has issued 4,235,423 Shares and has agreed to issue 13,157,894 Options;
- (b) the issue price for the Shares was \$0.038 per Share and the Options will be issued for nil cash consideration as they are being issued as free attaching options to the Shares;
- (c) the Shares were issued on 17 April 2020 and the Options will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules) and it is intended that the Options will be issued on the same date;
- (d) the Shares are fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares and the Options will be issued on the terms and conditions set out in Schedule 1;
- (e) the Shares were issued, and the Options will be issued, to professional and sophisticated investors identified by the Company and the Lead Manager of the Placement, Viriathus Capital. Other than as disclosed below, none of these subscribers are a related party of the Company, a

member of the Company's key management personnel, a substantial holder of the Company, an advisor to the Company or an associate of any such persons that will be issued more than 1% of the Company's current issued capital except for:

- (i) Chris Retzos, a substantial holder of the Company and/or his nominees, have been issued 3,600,000 Shares and will be issued 3,600,000 Options under the Tranche 1 Placement; and
 - (ii) Mark Goulopoulos, an advisor to the Company and/or his nominees, have been issued 1,585,352 Shares and will be issued 1,585,352 Options under the Tranche 1 Placement;
- (f) the funds raised from the issue of the Shares and Options will be used to fund the Company's exploration activities and working capital as further described in Section 1 above; and
- (g) a voting exclusion statement is included in the Notice.

3. RESOLUTION 2 – APPROVAL TO ISSUE TRANCHE 2 PLACEMENT SHARES AND OPTIONS

3.1 General

Resolution 2 seeks Shareholder approval for the issue of the Shares and Options the subject of Tranche 2 (excluding the 2,894,737 Shares and 2,894,737 Options proposed to be issued to Directors Nelson Chen, Andrew Bantock and Murray Hill the subject of Resolutions 3, 4 and 5).

A summary of ASX Listing Rule 7.1 is set out in section 2.2 above.

The effect of Resolution 2 will be to allow the Company to issue the Shares and Options the subject of Tranche 2 (excluding the 2,894,737 Shares and 2,894,737 Options proposed to be issued to Directors Nelson Chen, Andrew Bantock and Murray Hill the subject of Resolutions 3, 4 and 5) during the period of 3 months after the Meeting (or a longer period, if allowed by ASX), without using the Company's 15% placement capacity.

3.2 Technical information required by ASX Listing Rule 7.1

Pursuant to and in accordance with ASX Listing Rule 7.3, the following information is provided in relation to Resolution 2:

- (a) the maximum number of Shares to be issued is 10,297,369 and the maximum number of Options to be issued is 10,297,369;
- (b) the Shares and Options will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules) and it is intended that the issue of the Shares and Options will be issued progressively;
- (c) the issue price for the Shares will be \$0.038 per Share and the Options will be issued for nil cash consideration as they are being issued as free attaching options to the Shares;
- (d) the Shares and Options will be issued to professional and sophisticated investors identified by the Company and the Lead Manager of the Placement, Viriathus Capital. None of these subscribers are a related

party of the Company, a member of the Company's key management personnel, a substantial holder of the Company, an advisor to the Company or an associate of any such persons and will be issued more than 1% of the Company's current issued capital of the Company

- (e) the Shares will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares and the Options will be issued on the terms and conditions set out in Schedule 1; and
- (f) the funds raised from this issue of the Shares and Options will be used to fund the Company's development activities and working capital as further described in Section 1 above; and
- (g) a voting exclusion statement is included in the Notice.

4. RESOLUTIONS 3, 4 AND 5 – APPROVAL TO ISSUE SHARES AND OPTIONS TO RELATED PARTIES

4.1 General

As set out in Section 1, the Company is seeking Shareholder approval for the issue of Shares and Options to Nelson Chen, Andrew Bantock and Murray Hill under the Placement.

Resolutions 4 and 5 seek Shareholder approval for the issue of:

- (a) 1,315,789 Shares and 1,315,789 Options to Nelson Chen (or his nominees); and
- (b) 657,895 Shares and 657,895 Options to Andrew Bantock (or his nominees),
- (c) 921,053 Shares and 921,053 Options to Murray Hill (or his nominees),

arising from their participation in the Placement (**Participation**).

4.2 Chapter 2E of the Corporations Act

For a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

- (a) obtain the approval of the public company's members in the manner set out in sections 217 to 227 of the Corporations Act; and
- (b) give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act.

The Participation will result in the issue of Shares and Options which constitutes giving a financial benefit and Nelson Chen, Andrew Bantock and Murray Hill are related parties of the Company by virtue of being Directors. Although considered a financial benefit, each of Nelson Chen, Andrew Bantock and Murray Hill will be acquiring the Shares and Options on the same basis as all participants in the Placement.

Each of the Directors (other than Nelson Chen in respect of Resolution 3 as he has a material personal interest in Resolution 3; Andrew Bantock in respect of Resolution 4 as he has a material personal interest in Resolution 4; and Murray Hill in respect of Resolution 5 as he has a material personal interest in Resolution 5) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the Participation because the Shares and Options will be issued to Messrs Chen, Bantock and Hill on the same terms and conditions as Shares and Options issued to non-related party participants in the Placement and as such the giving of the financial benefit is on arm's length terms.

4.3 Section 195 of the Corporations Act

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

The Director Nelson Chen has a material personal interest in the outcome of Resolution 3. The Director Andrew Bantock has a material personal interest in the outcome of Resolution 4. The Director Murray Hill has a material personal interest in the outcome of Resolution 5.

The Directors have accordingly exercised their right under section 195(4) of the Corporations Act to put the proposed issue to Messrs Chen, Bantock and Hill of Shares and Options under the Placement to Shareholders to resolve upon.

4.4 ASX Listing Rule 10.11

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

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

4.5 Technical Information required by ASX Listing Rule 10.13

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

- (a) the Shares and Options will be issued to Nelson Chen, Andrew Bantock and Murray Hill (or their nominees);
- (b) shareholder approval is required for the issue of the Shares and Options each of Nelson Chen, Andrew Bantock and Murray Hill as they fall within ASX Listing Rule 10.11.1 by virtue of being Directors;
- (c) the maximum number of Shares to be issued is 2,894,737 (comprising 1,315,789 Shares to Nelson Chen, 657,895 Shares to Andrew Bantock and 921,053 shares to Murray Hill);

- (d) the maximum number of Options to be issued is 2,894,737 (comprising 1,315,789 Options to Nelson Chen, 657,895 Options to Andrew Bantock and 921,053 to Murray Hill)
- (e) the Shares and Options will be issued no later than 1 month after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules);
- (f) the Shares and Options are not issued to remunerate or incentivise Nelson Chen, Andrew Bantock and Murray Hill as they are issued under the Placement on the same terms and conditions as other subscribers under the Placement.
- (g) the issue price for the Shares will be \$0.038 per Share, being the same as all other Shares issued under the Placement;
- (h) the Options will be issued for nil cash consideration as they are being issued as free attaching to the Shares;
- (i) the Shares will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (j) the Options will be issued on the terms and conditions set out in Schedule 1; and
- (k) the funds raised from the issue of the Shares will be used for the same purposes as all other funds raised under the Placement as set out in Section 1 of this Explanatory Statement. No funds will be raised on the issue of the Options as they are being issued for the reasons set out in Section 4.5(h);
- (l) a voting exclusion statement is included in the Notice.

Approval pursuant to ASX Listing Rule 7.1 is not required for the Participation as approval is being obtained under ASX Listing Rule 10.11. Accordingly, the issue of Shares and Options to Nelson Chen, Andrew Bantock and Murray Hill (or their nominees) will not be included in the use of the Company's 15% placement capacity pursuant to ASX Listing Rule 7.1.

5. RESOLUTION 6 – APPROVAL TO ISSUE OPTIONS TO LEAD MANAGER

5.1 General

By a mandate agreement between the Company and with Viriathus Capital, the Company appointed Viriathus Capital as Lead Manager of the Placement. Under the mandate agreement:

- (a) Viriathus Capital agreed to act as Lead Manager of the Placement;
- (b) the Company agreed to pay Viriathus Capital a fee of:
 - (i) 6% (excluding GST) on all monies raised under the Placement (being, \$60,078) plus disbursements of \$2,000; and
 - (ii) 1,000,000 options in the Company (being, the 1,000,000 Options the subject of Resolution 6), subject to Shareholders approval (and the Company subsequently agreed that it would, if such

Shareholder approval is not obtained) pay Viriathus Capital \$10,000 cash in lieu of the issue of the 1,000,000 Options.

Resolution 6 seeks Shareholder approval for the issue of 1,000,000 Options to Viriathus Capital (or its nominees) in part consideration for services provided to the Company as Lead Manager to the Placement.

A summary of ASX Listing Rule 7.1 is set out in section 2.2 above.

The effect of Resolution 6 will be to allow the Company to issue the Options to Viriathus Capital (or its nominees) during the period of 3 months after the Meeting (or a longer period, if allowed by ASX), without using the Company's 15% placement capacity.

If Shareholders do not pass Resolution 6, the Company will be required to pay Viriathus Capital \$10,000 in lieu of the issue to Viriathus Capital of the 1,000,000 Options the subject of Resolution 6.

5.2 Technical information required by ASX Listing Rule 7.1

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

- (a) the maximum number of Options to be issued to Viriathus Capital (or its nominees) is 1,000,000;
- (b) the Options will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules) and it is intended that issue of the Options will occur on the same date;
- (c) the Options will be issued for nil cash consideration in part satisfaction of the fees for services provided by Viriathus Capital as Lead Manager of the Placement;
- (d) the Options will be issued under a mandate agreement with the Company the material terms of which are summarised in Section 5.1
- (e) the Options will be issued to Viriathus Capital (or its nominees), who is an advisor of the Company pursuant to the mandate agreement the material terms of which are summarised in Section 5.1 but which is not a related party of the Company, a member of the Company's key management personnel, a substantial holder of the Company or an associate of any such persons;
- (f) the Options will be issued on the terms and conditions set out in Schedule 1; and
- (g) no funds will be raised from the issue to the Lead Manager as the Options are being issued as part consideration for services provided by as Lead Manager of the Placement; and
- (h) a voting exclusion statement is included in the Notice.

GLOSSARY

\$ means Australian dollars.

ASIC means the Australian Securities & Investments Commission.

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

ASX Listing Rules means the Listing Rules of ASX.

Board means the current board of directors of the Company.

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

Chair means the chair of the Meeting.

Company means Marenica Energy Limited (ACN 001 666 600).

Constitution means the Company's constitution.

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

Directors means the current directors of the Company.

Explanatory Statement means the explanatory statement accompanying the Notice.

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

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

Option means an option to acquire a Share with the terms and conditions set out in Schedule 1

Optionholder means a holder of an Option.

Placement has the meaning given in Section 1 of the Explanatory Statement.

Proxy Form means the proxy form accompanying the Notice.

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

Section means a section of the Explanatory Statement.

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

Shareholder means a registered holder of a Share.

Tranche 1 Placement has the meaning given in Section 1 of the Explanatory Statement.

Tranche 2 Placement has the meaning given in Section 1 of the Explanatory Statement.

Viriathus Capital means Viriathus Capital Pty Ltd.

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

SCHEDULE 1 – TERMS AND CONDITIONS OF OPTIONS

(a) **Entitlement**

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

(b) **Exercise Price**

Subject to paragraph (i), the amount payable upon exercise of each Option will be \$0.10 (**Exercise Price**).

(c) **Expiry Date**

Each Option will expire at 5:00 pm (WST) on 30 June 2023 (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(d) **Exercise Period**

The Options are exercisable on the last day of March, June, September or December on or prior to the Expiry Date (**Exercise Period**).

(e) **Notice of Exercise**

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

(f) **Exercise Date**

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

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

Within 15 Business Days after receipt of the Notice of Exercise, 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)I of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and
- (iii) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.

If a notice delivered under (g)(ii) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company

must, no later than 20 Business Days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.

(h) **Shares issued on exercise**

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

(i) **Reconstruction of capital**

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

(j) **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.

(k) **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.

(l) **Transferability**

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

PROXY FORM

MARENICA ENERGY LIMITED
ACN 001 666 600

GENERAL MEETING

I/We

of:

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

Name:

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

Or failing the person so named or, if no person is named, the Chair, or the Chair's nominee, to vote in accordance with the following directions, or, if no directions have been given, and subject to the relevant laws as the proxy sees fit, at the Meeting to be held at 11:00 (WST), on 3 June 2020 at the offices of Marenica Energy Limited, Office C1, 1139 Hay Street, West Perth WA 6005, and at any adjournment or relocation thereof.

CHAIR'S VOTING INTENTION IN RELATION TO UNDIRECTED PROXIES

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

Voting on business of the Meeting		FOR	AGAINST	ABSTAIN
Resolution 1	Ratification of prior issue of the Tranche 1 Placement Shares and Options	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Approval to issue the Tranche 2 Placement Shares and Options	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Approval to issue Shares and Options to Nelson Chen	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Approval to issue Shares and Options to Andrew Bantock	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5	Approval to issue Shares and Options to Murray Hill	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6	Approval to issue Options to Lead Manager	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

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

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

Signature of Shareholder(s):

Individual or Shareholder 1

Sole Director/Company Secretary

Shareholder 2

Director

Shareholder 3

Director/Company Secretary

Date: _____

Contact name: _____

Contact ph (daytime): _____

E-mail address: _____

Consent for contact by e-mail
in relation to this Proxy Form:

YES NO

Instructions for completing Proxy Form

1. **(Appointing a proxy):** A Shareholder entitled to attend and cast a vote at the Meeting is entitled to appoint a proxy to attend and vote on their behalf at the Meeting. If a Shareholder is entitled to cast 2 or more votes at the Meeting, the Shareholder may appoint a second proxy to attend and vote on their behalf at the Meeting. However, where both proxies attend the Meeting, voting may only be exercised on a poll. The appointment of a second proxy must be done on a separate copy of the Proxy Form. A Shareholder who appoints 2 proxies may specify the proportion or number of votes each proxy is appointed to exercise. If a Shareholder appoints 2 proxies and the appointments do not specify the proportion or number of the Shareholder's votes each proxy is appointed to exercise, each proxy may exercise one-half of the votes. Any fractions of votes resulting from the application of these principles will be disregarded. A duly appointed proxy need not be a Shareholder.
2. **(Direction to vote):** A Shareholder may direct a proxy how to vote by marking one of the boxes opposite each item of business. The direction may specify the proportion or number of votes that the proxy may exercise by writing the percentage or number of Shares next to the box marked for the relevant item of business. Where a box is not marked the proxy may vote as they choose subject to the relevant laws. Where more than one box is marked on an item the vote will be invalid on that item.
3. **(Signing instructions):**
 - **(Individual):** Where the holding is in one name, the Shareholder must sign.
 - **(Joint holding):** Where the holding is in more than one name, all of the Shareholders should sign.
 - **(Power of attorney):** If you have not already provided the power of attorney with the registry, please attach a certified photocopy of the power of attorney to this Proxy Form when you return it.
 - **(Companies):** Where the company has a sole director who is also the sole company secretary, that person must sign. Where the company (pursuant to Section 204A of the Corporations Act) does not have a company secretary, a sole director can also sign alone. Otherwise, a director jointly with either another director or a company secretary must sign. Please sign in the appropriate place to indicate the office held. In addition, if a representative of a company is appointed pursuant to Section 250D of the Corporations Act to attend the Meeting, the documentation evidencing such appointment should be produced prior to admission to the Meeting. A form of a certificate evidencing the appointment may be obtained from the Company.
4. **(Attending the Meeting):** Completion of a Proxy Form will not prevent individual Shareholders from attending the Meeting in person if they wish. Where a Shareholder completes and lodges a valid Proxy Form and attends the Meeting in person, then the proxy's authority to speak and vote for that Shareholder is suspended while the Shareholder is present at the Meeting.
5. **(Return of Proxy Form):** To vote by proxy, please complete and sign the enclosed Proxy Form and return by:
 - (a) post to Marenica Energy Limited, 1139 Hay Street, West Perth, WA 6005; or
 - (b) facsimile to the Company on facsimile number +61 8 6316 2211; or
 - (c) email to the Company at info@marenicaenergy.com.au,

so that it is received not less than 48 hours prior to commencement of the Meeting. **Proxy Forms received later than this time will be invalid.**

PLEASE NOTE THAT DUE TO COVID-19 THE COMPANY WOULD PREFER YOU DELIVER YOUR PROXY BY ELECTRONIC MEANS RATHER THAN USING POST.