



NuEnergy Gas Limited

ABN 50 009 126 238



Notice of Annual General Meeting

This is an important document. Please read it carefully.

If you are unable to attend the Annual General Meeting, please complete the proxy form enclosed and return it in accordance with the instructions set out on that form.

The Annual General Meeting of the Company will be held at the KPMG offices, Level 38, Tower Three, International Towers, 300 Barangaroo Avenue, Sydney, NSW 2000 at 2:00 pm (Sydney Time) on Wednesday, 16 November 2016.

For personal use only

NuEnergy Gas Limited

ABN 50 009 126 238

NOTICE OF 2016 ANNUAL GENERAL MEETING

Notice is given that the Annual General Meeting of Shareholders of NuEnergy Gas Limited for 2016 will be held at the KPMG offices, Level 38, Tower Three, International Towers, 300 Barangaroo Avenue, Sydney NSW 2000 at 2:00 pm (Sydney Time) on Wednesday, 16 November 2016. The Explanatory Statement to this Notice of Meeting provides additional information on matters to be considered at the Annual General Meeting. The Explanatory Statement and the Proxy Form are part of this Notice of Meeting.

Pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth), the persons eligible to vote at the Annual General Meeting are those who are registered Shareholders of the Company at 7:00 pm (Sydney Time) on 14 November 2016.

The terms and abbreviations used in this Notice and Explanatory Statement are defined in the attached Glossary.

AGENDA

BUSINESS

Consideration of Financial Reports of the Directors and Auditors

To receive and consider the Financial Report together with the Directors' Report and the Auditor's Report for the Company and its controlled entities for the year ended 30 June 2016.

Shareholders will be given reasonable opportunity to ask questions about or make comments on the management of the Company.

Resolution 1 – Adoption of Remuneration Report

To consider, and if thought fit, to pass the following Resolution as a **non-binding resolution**:

“To adopt the Remuneration Report as contained in the Company's Annual Financial Report for the financial year ended 30 June 2016.”

Resolution 2 – Retirement by Rotation and Re-Election of Director – Mr Goh Tian Chuan

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

“Pursuant to Article 6.3(c) and Article 6.3(f) of the Company's Constitution and Listing Rule 14.4 and for all other purposes, Mr Goh Tian Chuan is re-elected as a Director of the Company.”

Resolution 3 - Retirement by Rotation and Re-Election of Director– Mr Kong Kok Keong

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

“Pursuant to Article 6.3(c) and Article 6.3(f) of the Company's Constitution and Listing Rule 14.4 and for all other purposes, Mr Kong Kok Keong is re-elected as a Director of the Company.”

Resolution 4 - Approval of Issue of Equity Securities for the Purpose of ASX Listing Rule 7.1A

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

“That for the purposes of Listing Rule 7.1A and for all other purposes, the issue of Equity Securities up to 10% of the issued capital of the Company (at the time of the issue) calculated in accordance with the prescribed formula in Listing Rule 7.1A.2, be approved on the terms set out in the Explanatory Statement.”

Voting Exclusion Statement

The following voting exclusion statement applies to the Resolutions under the Listing Rules or, where applicable, the provisions of the *Corporations Act*, to the following persons (“**Excluded Persons**”). The Company will disregard any votes on the following Resolutions cast by the following Excluded Persons and Associates of those persons:

For personal use only

Resolution No.	Title	Excluded Persons
1	Adoption of Remuneration Report	A member of the KMP, or a Closely Related Party of the KMP, whose remuneration details are included in the remuneration report for the year ended 30 June 2016.
4	Approval of issue of Equity Securities for the purpose of ASX Listing Rule 7.1A	A person (and any Associates of such person) who may participate in the 10% Placement Capacity and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if the Resolution is passed.

However, the Company need not disregard a vote in relation to Resolutions 1 and 4 if it is cast by:

1. a person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or
2. the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

A vote may be cast on Resolution 1 by a KMP or a Closely Related Party of a KMP if:

1. the KMP is acting as proxy and the proxy form specifies how the proxy is to vote, and the vote is not cast on behalf of a person who is otherwise excluded from voting on these Resolutions as described above; or
2. the KMP is the Chair voting an undirected proxy which expressly authorises the Chair to vote the proxy on a resolution connected with the remuneration of a member of the KMP.

Voting by Proxy

The *Corporations Act* now places certain restrictions on the ability of KMP and their Closely Related Parties to vote on resolutions connected directly or indirectly with the remuneration of the Company's KMP.

For those reasons, Shareholders who intend to vote by proxy should carefully consider the identity of their proxy and consider appointing someone other than one of the Company's KMP as such proxies may not be able to vote undirected proxies.

If you appoint the Chairman as your proxy by marking the box in **STEP 1** on the Proxy Form then you are providing express authorisation for the Chairman to vote on all Resolutions in accordance with his intentions as set out in this Notice and the Proxy Form (except where you have indicated a different voting intention by marking the voting boxes in **STEP 2** on the Proxy Form).

This express authorisation acknowledges that the Chairman may exercise your proxy in relation to Resolution 1 even though it is connected with remuneration of a member of KMP is a Resolution in respect of which the Chairman of the meeting has an interest.

Votes cast by the Chairman on Resolution 1 other than authorised proxy holder will be disregarded because of his interest in the outcome of the Resolution.

The Chairman intends to vote available proxies in favour of all Resolutions.

Dated this 11th day of October 2016.

By Order of the Board



Kok Keong, Kong
Non-Executive Chairman and Director

For personal use only

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared for the information of the Shareholders of the Company in connection with the business to be conducted at the Annual General Meeting to be held at the KPMG offices, Level 38, Tower Three, International Towers, 300 Barangaroo Avenue, Sydney, NSW 2000 at 2:00 pm (Sydney Time) on Wednesday, 16 November 2016.

The purpose of this Explanatory Statement is to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions in the Notice of Meeting.

Financial Statements and Reports

The *Corporations Act* requires the Company to place its Financial Report, Directors' Report and Auditor's Report for the last financial year before the Annual General Meeting. No resolution is required for this Item, but Shareholders will be given a reasonable opportunity to ask questions and to make comments on the reports and the management and performance of the Company.

The Company's Auditor will also be present at the meeting and Shareholders will be given the opportunity to ask the Auditor questions about the conduct of the audit, the preparation and content of the Auditor's Report, the accounting policies adopted by the Company and the independence of the Auditor.

The Company's 2016 Annual Report has previously been sent to Shareholders and is available on the Company's website at www.nuenergygas.com.

1. Resolution 1 – Adoption of Remuneration Report

In accordance with Section 250R(2) of the *Corporations Act*, the Company must put a resolution that the Remuneration Report be adopted to vote at the Annual General Meeting. The vote on Resolution 1 is advisory only and does not bind the Directors or the Company.

The Remuneration Report is the section of the Directors' Report under the heading "Remuneration Report" of the Company's 2016 Annual Report. The Remuneration Report includes all of the information required by Section 300A of the *Corporations Act*, including:

- (i) board policy for determining, or in relation to, the nature and amount (or value, as appropriate) of remuneration of Directors, secretaries and senior managers of the Company;
- (ii) discussion of the relationship between such policy and the Company's performance; and
- (iii) the prescribed details in relation to the remuneration of each Director and certain executives.

The vote on the Resolution for adoption of the Remuneration Report is advisory only and does not bind the Directors or the Company. However, under the *Corporations Act*, if at least 25% of the votes cast on the Resolution at the Annual General Meeting are against adoption of the Remuneration Report, then:

- (i) if comments are made on the Remuneration Report at the Annual General Meeting, the Company's remuneration report for the financial year ending 30 June 2017 will be required to include an explanation of the Board's proposed action in response or, if no action is proposed, the Board's reasons for this; and
- (ii) if, at the Company's 2017 Annual General Meeting, at least 25% of the votes cast on the Resolution for adoption of the Remuneration Report for the 2017 financial year are against its adoption, the Company will be required to put to Shareholders a Resolution proposing that a general meeting ("**Spill Meeting**") be called to consider the election of Directors of the Company ("**Spill Resolution**").

The Spill Meeting must be held within 90 days of the date of the 2017 Annual General Meeting. For any Spill Resolution to be passed, more than 50% of the votes cast on the resolution must be in favour of it. If a Spill Resolution is passed, all of the Directors (other than the Managing Director and any Director taking office since the Directors resolved to put the Directors' Report to that AGM) will cease to hold office immediately before the end of the Spill Meeting unless re-elected at that meeting.

The Remuneration Report forms part of the Directors' Report which has unanimously been adopted by resolution of the Board. The Directors have resolved in favour of the remuneration report and commend it to Shareholders for adoption.

For personal use only

An opportunity will be provided for discussion of the Remuneration Report at the meeting. In relation to the approval of the Remuneration Report of the Company for 2016, less than 25% of the votes cast on that resolution were against it.

The Chairman intends to vote all available proxies in favour of Resolution 1.

Directors' Recommendation

The Directors recommend that Shareholders vote **in favour** of the adoption of the Remuneration Report.

2. Resolution 2 – Re-Election of Director – Mr Goh Tian Chuan

Pursuant to Article 6.3(c) of the Company's Constitution and the Listing Rule 14.4, one-third of the Directors of the Company (rounded down to the nearest whole number) must retire each year. Pursuant to Article 6.3(f) of the Company's Constitution, a retiring Director may then be eligible for re-election. Mr Goh retires by rotation pursuant to these requirements and is eligible for re-election.

Resolution 2 seeks Shareholder approval for the re-election of Mr Goh Tian Chuan as a Director of the Company.

Details of Mr Goh's qualifications and experience are contained in the Company's 2016 Annual Report.

Directors' Recommendation

The Directors (other than Mr Goh who abstains given his personal interest in the Resolution) recommend that Shareholders vote **in favour** of the re-election of Mr Goh.

3. Resolution 3 – Re-Election of Director – Mr Kong Kok Keong

Pursuant to Article 6.3(c) of the Company's Constitution and the Listing Rule 14.4, one-third of the Directors of the Company (rounded down to the nearest whole number) must retire each year. Pursuant to Article 6.3(f) of the Company's Constitution, a retiring Director may then be eligible for re-election. Mr Kong retires by rotation pursuant to these requirements and is eligible for re-election.

Resolution 3 seeks Shareholder approval for the re-election of Mr Kong as a Director of the Company.

Details of Mr Kong's qualifications and experience are contained in the Company's 2016 Annual Report.

Directors' Recommendation

The Directors (other than Mr Kong who abstains given his personal interest in the Resolution) recommend that Shareholders vote **in favour** of the re-election of Mr Kong.

4. Resolution 4 - Approval of issue of Equity Securities for the purpose of ASX Listing Rule 7.1A

Resolution 4 seeks Shareholder approval by way of special resolution for the Company to have the ability to issue Equity Securities pursuant to the 10% Placement Capacity available under ASX Listing Rule 7.1A.

Overview

Listing Rule 7.1A was introduced on 1 August 2012 and allows mid to small cap listed entities to seek Shareholder approval to issue Equity Securities equivalent to an additional 10% of the number of ordinary securities on issue by way of placements over a 12-month period (**10% Placement Capacity**). This is in addition to the 15% permitted under listing rule 7.1.

An eligible entity for the purposes of Listing Rule 7.1A is an entity that is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300 million or less at the time of the AGM. The Company is currently an eligible entity for the purpose of Listing Rule 7.1A. The Board expects that the Company will be an eligible entity as at the date of the AGM. However, if the Company is not eligible, Resolution 4 will be withdrawn.

Shareholder Approval

The ability to issue Equity Securities under Listing Rule 7.1A is subject to Shareholder approval by way of special resolution at AGM. Approval cannot be sought at any other Shareholder's meeting and Equity Securities issued under the approval (if obtained) must be issued within 12 months after the date of the AGM.

No Equity Securities can be issued under Listing Rule 7.1A before the special resolution is passed. However, if a Listing Rule 7.1A approval has been obtained, securities issued under that rule may be subsequently ratified by Shareholders in accordance with Listing Rule 7.4 to "refresh" an entity's Listing Rule 7.1A additional 10% placement capacity.

For personal use only

Equity Securities

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

As at the date of the Notice the Company has only one class of Equity Securities on issue being Shares.

Formula for calculating the 10% Placement Capacity

The Company may issue Equity Securities during the 12-month period after the date of approval calculated in accordance with the following formula as contained in ASX Listing Rule 7.1A.2:

$(A \times D) - E$

A is the number of fully paid ordinary Shares on issue 12 months before the date of issue or agreement to issue:

- plus the number of fully ordinary Shares issued in the 12 months under an exception in Listing Rule 7.2;
- plus the number of partly paid ordinary Shares that became fully paid in the 12 months;
- plus the number of fully paid ordinary Shares issued in the 12 months with approval of Shareholders under Listing Rule 7.1 or 7.4;
- less the number of fully paid ordinary Shares cancelled in the 12 months.

D is 10%

E is the number of Equity Securities issued or agreed to be issued under Listing Rule 7.1A.2 in the 12 months before the date of the issue or agreement to issue that are not issued with approval of Shareholders under Listing Rule 7.1 or 7.4.

Additional Disclosure

For the purpose of Listing Rule 7.3A, the following information is provided in relation to the approval of the 10% Placement Capacity:

▪ **Minimum issue price**

The Equity Securities will be issued at an issue price of not less than 75% of the VWAP for the Company's Equity Securities over the 15 Trading Days immediately before:

- the date on which the Equity Securities are to be issued; or
- the date on which the price of the Equity Securities is agreed, provided that the issue is then completed within 5 Business Days.

▪ **Risk of dilution**

If the Company issues Equity Securities under the 10% Placement Capacity, there is a risk that the economic and voting power of existing Shareholders will be diluted.

There is also a risk that:

- the market price for the Company's Equity Securities may be significantly lower on the issue date than the date of approval at the AGM; and
- the Equity Securities may be issued at a price that is at a discount to the market price for those Equity Securities on the issue date.

The below table shows the risk of dilution to existing Shareholders if the Company issues Equity Securities under the 10% Placement Capacity on the basis of:

- the current market price of Shares and the current number of Shares calculated in accordance with Listing Rule 7.1A(2) variable "A";
- a 50% decrease in the current market price of Shares and a 50% increase in the current number of Shares calculated in accordance with Listing Rule 7.1A(2) variable "A"; and
- a 100% increase in the current market price of Shares and a 100% increase in the current number of Shares calculated in accordance with Listing Rule 7.1A(2) variable "A".

For personal use only

Variable "A" in Listing Rule 7.1A.2		Dilution / Effect		
		\$0.015 50% decrease in Issue Price	\$0.03 Issue Price	\$0.06 100% increase in Issue Price
Current Issued Capital (Variable A) 1,151,521,379 Shares	Shares Issued under LR 7.1A (10%)	115,152,138	115,152,138	115,152,138
	Funds Raised	\$1,727,282	\$3,454,564	\$6,909,128
50% increase in current Issued Capital (Variable A) 1,727,282,069 Shares	Shares Issued under LR 7.1A (10%)	172,728,207	172,728,207	172,728,207
	Funds Raised	\$2,590,923	\$5,181,846	\$10,363,692
100% increase in current Issued Capital (Variable A) 2,303,042,758 Shares	Shares Issued under LR 7.1A (10%)	230,304,276	230,304,276	230,304,276
	Funds Raised	\$3,454,564	\$6,909,128	\$13,818,256

The table has been prepared on the following assumptions:

- The Company issues the maximum number of Equity Securities available under the 10% Placement Capacity.
- The table does not show any examples of the dilution that may be caused to a specific Shareholder based on that Shareholder's holding at the date of the AGM.
- The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue.
- The table only shows the effect of issues under Listing Rule 7.1A and does not consider the effect of any issues under the 15% placement capacity under Listing Rule 7.1 during the 12-month period or any other issues.
- The Issue Price of the Shares is \$0.03, being the closing price of the Shares on ASX on 10 October 2016.

- **Final issue date**

The final date that the Company can issue Equity Securities under the 10% Placement Capacity is 12 months from the date of the AGM, being 15 November 2017.

The approval under Resolution 4 will cease to be valid in the event that Shareholders approve a transaction under Listing Rule 11.1.2 (a significant change to the nature or scale of activities) or Listing Rule 11.2 (disposal of main undertaking).

- **Purpose of the issue**

The Company may seek to issue the Equity Securities for the following purposes:

- cash consideration to be applied to the acquisition of new assets or investments, expenditure associated with exploration, drilling, development and the production of gas at the Company's existing asset base in Indonesia; or
- non-cash consideration for the acquisition of new resources, assets or investments.

If the Equity Securities are issued for non-cash consideration, the Company will release to the market a valuation of the non-cash consideration which demonstrates that the issue price of the securities complies with Listing Rule 7.1A.3.

- **Allocation policy**

The Company's allocation policy for the issue of Equity Securities pursuant to the 10% Placement Capacity is largely dependent on the prevailing market conditions and the circumstances of the Company at the time of any proposed issue. The time frame over the 12-month period which the Company expects to make placements under the Resolution 4 approval therefore cannot yet be accurately determined.

As at the date of the Notice the Company has not formed an intention to issue securities under a placement pursuant to Listing Rule 7.1A to any particular party. The Company may approach existing Shareholders, a class or group of existing Shareholders, or new investors who have not previously been Shareholders to participate in a placement of Equity Securities.

For personal use only

When determining to issue the 10% Placement Capacity securities the Company will have regard to a range of factors including but not limited to:

- the effect of the issue of Equity Securities on the control of the Company;
- the financial circumstances of the Company;
- whether the raising of funds could be carried out by means of a pro-rata entitlements offer or other similar issue to allow existing Shareholders to participate;
- advice from the Company's corporate, financial and professional advisors;
- whether a placement of Equity Securities to a vendor(s) as non-cash consideration for the acquisition of new resources, assets or investments is the best alternative for the Company.

▪ **Previous approval**

For the purposes of Listing Rule 7.3A.6 the following information is provided.

The Company obtained Shareholder approval for the 10% Placement Capacity at its 2015 Annual General Meeting.

During the 12 months prior to the date of this Notice, the Company issued 399,834,015 equity securities representing 53.19% of the total number of equity securities on issue 12 months ago (751,687,364 number of shares in issue). None of the equity securities were issued under the Additional Placement Capacity. The details of the equity securities issued are as follows:

Number of Equity Securities Issued	Class of Equity Securities Issued	Name of Persons to Whom Equity Securities were Issued	Issue Price	Cash Consideration	Discount
399,834,015 ¹	Ordinary Shares ²	Shareholders and Underwriters	\$0.025	\$9,995,849	Nil
Total: 399,834,015				Total: 9,995,849³	

¹ On 29 December 2015, 399,834,015 fully paid ordinary Shares in the Company were issued for \$0.025 per Share following the Non-Renounceable Pro-Rata Entitlement Offer of one fully paid new share for every 1.88 fully paid ordinary shares in NGY held by shareholders at the record date of 4 December 2015. The Company received acceptances for 246,771,721 new shares, with the shortfall of 153,062,294 new shares being taken up by underwriters to the offer,

² Ordinary Shares are fully paid ordinary shares in the capital of the Company with full entitlements to participate in dividends and to vote in meetings.

³ After allowing for existing cash reserves, the Company has spent approximately \$8.5 million of the cash consideration received from the issue of the equity securities.

▪ **Voting exclusion statement**

A voting exclusion statement is set out on page 2 of this Notice.

As at the date of this Notice, the Company does not yet know, nor has it formed an intention in relation to how it will decide, which parties it may approach to participate in any issue that may ultimately be made.

Directors' Recommendation

The Directors recommend that Shareholders vote **in favour** of the 10% Placement Capacity.

For personal use only

Instructions for Completing 'Appointment of Proxy' Form

1. A member entitled to attend and vote at an Annual General Meeting is entitled to appoint not more than two proxies to attend and vote on their behalf. Where more than one proxy is appointed, each proxy must be allocated a proportion of the member's voting rights. If the shareholder appoints two proxies and the appointment does not specify this proportion, each proxy may exercise half the votes.
2. A duly appointed proxy need not be a member of the Company. In the case of joint holders, either holder may sign.
3. Corporate shareholders should comply with the execution requirements set out on the Proxy Form or otherwise with the provisions of Section 127 of the *Corporations Act*. Section 127 of the *Corporations Act* provides that a company may execute a document without using its common seal if the document is signed by:
 - 3.1. 2 directors of the company;
 - 3.2. a director and a company secretary of the company; or
 - 3.3. for a proprietary company that has a sole director who is also the sole company secretary – that director.

For the Company to rely on the assumptions set out in Section 129(5) and (6) of the *Corporations Act*, a document must appear to have been executed in accordance with Section 127(1) or (2). This effectively means that the status of the persons signing the document or witnessing the affixing of the seal must be set out and conform to the requirements of Section 127(1) or (2) as applicable. In particular, a person who signs the document or witnesses the affixing of a common seal and who is the sole director and sole company secretary of the company must state that next to his or her signature.

4. 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. Where a Proxy Form or form of appointment of corporate representative is lodged and is executed under power of attorney, the power of attorney must be lodged in like manner as the Proxy Form.
6. You can direct your proxy how to vote on each Resolution by completing **STEP 2** on the Proxy Form.
7. If you appoint the Chairman as your proxy by marking the box in **STEP 1** on the Proxy Form then you are providing express authorisation for the Chairman to vote on all Resolutions in accordance with his intentions as set out in this Notice and the Proxy Form (except where you have indicated a different voting intention by marking the voting boxes in **STEP 2** on the Proxy Form).

This express authorisation acknowledges that the Chairman may exercise your proxy in relation to Resolution 1 even though this Resolution is connected with remuneration of a member of KMP is a Resolution in respect of which the Chairman of the meeting has an interest.

Votes cast by the Chairman on Resolution 1 other than as authorised proxy holder will be disregarded because of his interest in the outcome of the Resolution.

The Chairman intends to vote available proxies in favour of all Resolutions.

8. If you appoint a KMP other than the Chairman at **STEP 1**, and do not complete **STEP 2**, your vote will not be counted in respect of Resolution 1.
9. To vote by proxy please sign the enclosed Proxy Form and return:
 - (a) by mail to Link Market Services Limited, Locked Bag A14, Sydney South NSW 1235 Australia;
 - (b) by facsimile to Link Market Services Limited on facsimile number +61 2 9287 0309;
 - (c) by hand to Link Market Services Limited, 1A Homebush Bay Drive, Rhodes NSW 2138; or
 - (d) online by visiting www.linkmarketservices.com.au, Select 'Investor Login' and enter NuEnergy Gas Limited or the ASX code (NGY) in the Issuer name field, your Securityholder Reference Number (SRN) or Holder Identification Number (HIN) (which is shown on the front of your proxy form), postcode and security code which is shown on the screen and click 'Login'. Select the 'Voting' tab and then follow the prompts. You will be taken to have signed your Proxy Form if you lodge it in accordance with the instructions given on the website, so that it is received not later than 2:00 pm (Sydney Time) on 14 November 2016.

Proxy Forms received later than this time will be invalid.

For personal use only

GLOSSARY

In this Notice of Meeting:

\$ means Australian Dollars

10% Placement Capacity means the Company's ability under Listing Rule 1A to issue Equity Securities up to 10% of its issued share capital by way of placements over a 12-month period after the AGM.

AGM, General Meeting or Meeting means the Annual General Meeting of Shareholders convened for the purposes of considering the Resolutions.

Annual Report means the Directors Report, the Financial Report and the Auditors Report in respect to the financial year ended 30 June 2016.

ASIC means the Australian Securities and Investments Commission.

Associate has the same meaning as in the *Corporations Act*.

ASX means ASX Limited ACN 008 624 691 or the market it operates known as the Australian Securities Exchange, as applicable.

Auditor means the auditor of the Company.

Auditor's Report means the auditor's report on the Financial Report.

Board or Board of Directors means the board of Directors of the Company.

Chair or Chairman means the person appointed the chair of the Meeting convened by this Notice.

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

Company or NuEnergy means NuEnergy Gas Limited ACN 009 126 238.

Control has the same meaning as in the *Corporations Act*.

Constitution means the constitution of the Company.

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

Director means a director of the Company.

Directors' Report means the annual directors report.

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

Explanatory Statement means the Explanatory Statement accompanying the Notice of Meeting.

Annual Financial Report or Financial Report means the annual financial report prepared under chapter 2M of the *Corporations Act* for the Company and its controlled entities.

Key Management Personnel or KMP means key management personnel as identified in the Remuneration Report for the financial year ended 30 June 2016.

Listing Rules means the Listing Rules of the ASX.

Notice of Meeting or Notice means the notice convening the Annual General Meeting accompanying this Explanatory Statement.

Proxy Form means a proxy form accompanying this Notice of Meeting.

Related Party has the same meaning as in the *Corporations Act*.

Relevant Interest has the same meaning as in the *Corporations Act*.

Remuneration Report means the remuneration report of the Company contained in the Directors' report.

Resolution means a resolution to be considered at the Annual General Meeting as contained in the Notice of Meeting.

Share means a fully paid ordinary share in the Company.

Shareholder means a person registered as a holder of a Share.

Sydney Time means Australian Eastern Daylight Time.

Voting Power has the same meaning as in the *Corporations Act*.

VWAP means volume weighted average price.

In this Notice and the Explanatory Statement words importing the singular include the plural and vice versa

For personal use only



NuEnergy Gas Limited

ABN 50 009 126 238

LODGE YOUR VOTE

ONLINE
www.linkmarketservices.com.au

BY MAIL
NuEnergy Gas Limited
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235 Australia

BY FAX
+61 2 9287 0309

BY HAND
Link Market Services Limited
1A Homebush Bay Drive, Rhodes NSW 2138

ALL ENQUIRIES TO
Telephone: +61 1300 554 474

PROXY FORM

I/We being a member(s) of NuEnergy Gas Limited and entitled to attend and vote hereby appoint:

APPOINT A PROXY

the Chairman of the Meeting (mark box)

OR if you are NOT appointing the Chairman of the Meeting as your proxy, please write the name of the person or body corporate you are appointing as your proxy

or failing the person or body corporate named, or if no person or body corporate is named, the Chairman of the Meeting, as my/our proxy to act on my/our behalf (including to vote in accordance with the following directions or, if no directions have been given and to the extent permitted by the law, as the proxy sees fit) at the Annual General Meeting of the Company to be held at 2:00pm (Sydney time) on Wednesday, 16 November 2016 at KPMG offices, Level 38, Tower Three, International Towers, 300 Barangaroo Avenue, Sydney NSW 2000 (the Meeting) and at any postponement or adjournment of the Meeting.

Important for Resolution 1: If the Chairman of the Meeting is your proxy, either by appointment or by default, and you have not indicated your voting intention below, you expressly authorise the Chairman of the Meeting to exercise the proxy in respect of Resolution 1, even though the Resolution is connected directly or indirectly with the remuneration of a member of the Company's Key Management Personnel (KMP).

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business.

VOTING DIRECTIONS

Proxies will only be valid and accepted by the Company if they are signed and received no later than 48 hours before the Meeting. Please read the voting instructions overleaf before marking any boxes with an X

Resolutions

Table with 4 rows of resolutions and 3 columns: For, Against, Abstain*

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

SIGNATURE OF SECURITYHOLDERS - THIS MUST BE COMPLETED

Signature lines for Securityholder 1, Joint Securityholder 2, Joint Securityholder 3, and Director/Company Secretary.

This form should be signed by the securityholder. If a joint holding, all securityholders must sign. If signed by the securityholder's attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form.

For personal use only

STEP 1

STEP 2

STEP 3



HOW TO COMPLETE THIS SECURITYHOLDER PROXY FORM

YOUR NAME AND ADDRESS

This is your name and address as it appears on the Company's security register. If this information is incorrect, please make the correction on the form. Securityholders sponsored by a broker should advise their broker of any changes. **Please note: you cannot change ownership of your securities using this form.**

APPOINTMENT OF PROXY

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box in Step 1. If you wish to appoint someone other than the Chairman of the Meeting as your proxy, please write the name of that individual or body corporate in Step 1. A proxy need not be a securityholder of the Company.

DEFAULT TO CHAIRMAN OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chairman of the Meeting, who is required to vote those proxies as directed. Any undirected proxies that default to the Chairman of the Meeting will be voted according to the instructions set out in this Proxy Form, including where the Resolution is connected directly or indirectly with the remuneration of KMP.

VOTES ON ITEMS OF BUSINESS – PROXY APPOINTMENT

You may direct your proxy how to vote by placing a mark in one of the boxes opposite each item of business. All your securities will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of securities 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 A SECOND PROXY

You are entitled to appoint up to two persons as proxies to attend the Meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the Company's security registry or you may copy this form and return them both together.

To appoint a second proxy you must:

- on each of the first Proxy Form and the second Proxy Form state the percentage of your voting rights or number of securities applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded; and
- return both forms together.

SIGNING INSTRUCTIONS

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

Individual: where the holding is in one name, the holder must sign.

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

Power of Attorney: to sign under Power of Attorney, you must lodge the Power of Attorney with the registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the *Corporations Act 2001*) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please indicate the office held by signing in the appropriate place.

CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting the appropriate "Certificate of Appointment of Corporate Representative" should be produced prior to admission in accordance with the Notice of Meeting. A form of the certificate may be obtained from the Company's security registry or online at www.linkmarketservices.com.au.

LODGEMENT OF A PROXY FORM

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below by **2:00pm (Sydney time) on Monday, 14 November 2016**, being not later than 48 hours before the commencement of the Meeting. Any Proxy Form received after that time will not be valid for the scheduled Meeting.

Proxy Forms may be lodged using the reply paid envelope or:



ONLINE

www.linkmarketservices.com.au

Login to the Link website using the holding details as shown on the Proxy Form. Select 'Voting' and follow the prompts to lodge your vote. To use the online lodgement facility, securityholders will need their "Holder Identifier" (Securityholder Reference Number (SRN) or Holder Identification Number (HIN) as shown on the front of the Proxy Form).



BY MAIL

NuEnergy Gas Limited
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235
Australia



BY FAX

+61 2 9287 0309



BY HAND

delivering it to Link Market Services Limited*
1A Homebush Bay Drive
Rhodes NSW 2138

* During business hours (Monday to Friday, 9:00am–5:00pm)



COMMUNICATION PREFERENCE

We encourage you to receive all your shareholder communication via email. This communication method allows us to keep you informed without delay, is environmentally friendly and reduces print and mail costs.



ONLINE

www.linkmarketservices.com.au

Login to the Link website using the holding details as shown on the Proxy Form. Select 'Communications' and click the first button to receive all communications electronically and enter your email address. To use the online facility, securityholders will need their "Holder Identifier" (Securityholder Reference Number (SRN) or Holder Identification Number (HIN) as shown on the front of the Proxy Form).

**IF YOU WOULD LIKE TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING, PLEASE BRING THIS FORM WITH YOU.
THIS WILL ASSIST IN REGISTERING YOUR ATTENDANCE.**