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**TTE PETROLEUM LTD**

**ACN 109 213 470**

**NOTICE OF GENERAL MEETING**

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**TIME:** 10:30 am (WST)

**DATE:** 24 June 2016

**PLACE:** 28 Outram St, West Perth Western Australia 6005

*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.*

*Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on +61 8 9322 6955.*

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## **IMPORTANT INFORMATION**

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### **Time and place of Meeting**

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Notice is given that the Meeting will be held at 10:30 am (WST) on 24 June 2016 at:

28 Outram St, West Perth Western Australia 6005

### **Your vote is important**

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

### **Voting eligibility**

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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 22 June 2016.

### **Voting in person**

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

### **Voting by proxy**

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

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

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

Shareholders and their proxies should be aware that changes to the Corporations Act made in 2011 mean that:

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

Further details on these changes are set out below.

***Proxy vote if appointment specifies way to vote***

Section 250BB(1) of the Corporations Act provides that an appointment of a proxy may specify the way the proxy is to vote on a particular resolution and, **if it does:**

- the proxy need not vote on a show of hands, but if the proxy does so, the proxy must vote that way (ie as directed); and
- if the proxy has 2 or more appointments that specify different ways to vote on the resolution, the proxy must not vote on a show of hands; and
- if the proxy is the chair of the meeting at which the resolution is voted on, the proxy must vote on a poll, and must vote that way (ie as directed); and
- if the proxy is not the chair, the proxy need not vote on the poll, but if the proxy does so, the proxy must vote that way (ie as directed).

***Transfer of non-chair proxy to chair in certain circumstances***

Section 250BC of the Corporations Act provides that, if:

- an appointment of a proxy specifies the way the proxy is to vote on a particular resolution at a meeting of the Company's members; and
- the appointed proxy is not the chair of the meeting; and
- at the meeting, a poll is duly demanded on the resolution; and
- either of the following applies:
  - the proxy is not recorded as attending the meeting; or
  - the proxy does not vote on the resolution,

the chair of the meeting is taken, before voting on the resolution closes, to have been appointed as the proxy for the purposes of voting on the resolution at the meeting.

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## BUSINESS OF THE MEETING

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### AGENDA

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#### 1. RESOLUTION 1 – PLACEMENT – CONVERTIBLE NOTES

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 2,000,000 Convertible Notes on the terms and conditions set out in the Explanatory Statement.”*

**Voting Exclusion:** The Company will disregard any votes cast on this Resolution by any person who may participate in the proposed issue 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 and any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

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#### 2. RESOLUTION 2 – ISSUE OF CONVERTIBLE NOTES TO MR PAUL GARNER

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, ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue up to 250,000 Convertible Notes to Mr Paul Garner (or his nominees) on the terms and conditions set out in the Explanatory Statement.”*

**Voting Exclusion Statement:** The Company will disregard any votes cast on this Resolution by Mr Paul Garner (or his nominees) and any of their associates. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

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#### 3. RESOLUTION 3 – ISSUE OF CONVERTIBLE NOTES TO MR DARREN LEVY

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, ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue up to 50,000 Convertible Notes to Mr Darren Levy (or his nominees) on the terms and conditions set out in the Explanatory Statement.”*

**Voting Exclusion Statement:** The Company will disregard any votes cast on this Resolution by Mr Darren Levy (or his nominees) and any of their associates. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

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#### 4. RESOLUTION 4 – ISSUE OF CONVERTIBLE NOTES TO MR ANDREW VAN DER ZWAN

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, ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue up to 26,666 Convertible Notes to Mr Andrew Van Der Zwan (or his nominees) on the terms and conditions set out in the Explanatory Statement.”*

**Voting Exclusion Statement:** The Company will disregard any votes cast on this Resolution by Mr Andrew Van Der Zwan (or his nominees) and any of their associates. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

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#### 5. RESOLUTION 5 – PLACEMENT – SHARES

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 60,000,000 Shares on the terms and conditions set out in the Explanatory Statement.”*

**Voting Exclusion:** The Company will disregard any votes cast on this Resolution by any person who may participate in the proposed issue 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 and any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

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#### 6. RESOLUTION 6 – PLACEMENT – 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 60,000,000 Options on the terms and conditions set out in the Explanatory Statement.”*

**Voting Exclusion:** The Company will disregard any votes cast on this Resolution by any person who may participate in the proposed issue 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 and any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

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**7. RESOLUTION 7 – RATIFICATION OF PRIOR ISSUE – SHARES**

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 12,500,000 Shares on the terms and conditions set out in the Explanatory Statement.”*

**Voting Exclusion:** The Company will disregard any votes cast on this Resolution by a person who participated in the issue and any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

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**Dated: 23 May 2016**

**By order of the Board**

**Jack Toby  
Company Secretary**

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## EXPLANATORY STATEMENT

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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.

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### 1. RESOLUTION 1 – PLACEMENT – CONVERTIBLE NOTES

#### 1.1 General

Resolution 1 seeks Shareholder approval for the issue of up to 2,000,000 Convertible Notes (and the issue of Shares and Options on conversion of those Convertible Notes) at an issue price of \$1.00 per Convertible Note to raise up to \$2,000,000 (**CN Placement**).

The Company will pay fees of up to 2% (exclusive of goods and services tax) of the amount raised under the CN Placement.

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.

The effect of Resolution 1 will be to allow the Company to issue the Convertible Notes pursuant to the CN Placement during the period of 3 months after the Meeting (or a longer period, if allowed by ASX), without using the Company's 15% annual placement capacity.

#### 1.2 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 CN Placement:

- (a) the maximum number of Convertible Notes to be issued is 2,000,000;
- (a) the Convertible Notes 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 Shares will occur progressively;
- (b) the issue price will be \$1.00 per Convertible Note;
- (c) the Directors will determine to whom the Convertible Notes will be granted but these persons will not be related parties of the Company;
- (d) the Convertible Notes will be issued on the terms and conditions set out in Schedule 1; and
- (e) the Company intends to use the funds raised from the CN Placement towards the redemption of existing convertible notes on issue (which are due to expire on 15 July 2016), repayment of debt, exploration expenses on the Company's existing oil and gas projects in the USA, administration expenses and general working capital.

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## 2. RESOLUTIONS 2 TO 4 – ISSUE OF CONVERTIBLE NOTES TO RELATED PARTIES

### 2.1 General

The Company has agreed, subject to obtaining Shareholder approval, to issue a total of 326,666 Convertible Notes to Messrs Mr Paul Garner, Mr Darren Levy and Mr Andrew Van Der Zwan (together, the **Related Parties**) as follows:

- (b) 250,000 Convertible Notes to Mr Paul Garner (or his nominees) of which:
  - (i) 50,000 Convertible Notes will be issued at a deemed issue price of \$1.00 in lieu of outstanding remuneration and reimbursements of \$50,000 owing to Mr Garner; and
  - (ii) 200,000 Convertible Notes will be issued at an issue price of \$1.00 each, with the funds raised to be applied towards redemption of 200,000 existing convertible notes (which are due to expire on 15 July 2016) held by entities associated with Mr Garner;
- (c) 50,000 Convertible Notes to Mr Darren Levy (or his nominees) of which:
  - (i) 25,000 Convertible Notes will be issued at a deemed issue price of \$1.00 in lieu of outstanding remuneration of \$25,000 owing to Mr Levy; and
  - (ii) 25,000 Convertible Notes will be issued at an issue price of \$1.00 each, with the funds raised to be used for the same purposes as the funds raised under the CN Placement as set out in Section 1.2(e); and
- (d) 26,666 Convertible Notes to Mr Andrew Van Der Zwan (or his nominees) of which:
  - (i) 16,666 Convertible Notes will be issued at a deemed issue price of \$1.00 in lieu of outstanding remuneration of \$16,666 owing to Mr Van Der Zwan; and
  - (ii) 10,000 Convertible Notes will be issued at an issue price of \$1.00 each, with the funds raised to be used for the same purposes as the funds raised under the CN Placement as set out in Section 1.2(e).

Resolutions 2 to 4 seek Shareholder approval for the issue of the Convertible Notes (and the issue of Shares and Options on conversion of those Convertible Notes) to the Related Parties (or their respective nominees). To the extent Shareholders do not approve the issue of the Convertible Notes, the Related Parties will be entitled to be paid their respective outstanding remuneration owing in cash.

### 2.2 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:

- (e) obtain the approval of the public company's members in the manner set out in sections 217 to 227 of the Corporations Act; and



- (f) 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 issue of the Convertible Notes (and the issue of Shares and Options on conversion of those Convertible Notes) constitutes giving a financial benefit and:

- (a) Mr Paul Garner and Mr Darren Levy are related parties of the Company by virtue of being Directors of the Company; and
- (b) Mr Andrew Van Der Zwan is a related party of the Company by virtue of being a former Director of the Company who resigned on 30 April 2016.

In respect to Resolution 2, the Directors (other than Mr Paul Garner who has a material personal interest in Resolution 2) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the issue of Convertible Notes because the Convertible Notes will be issued to Mr Paul Garner (or his nominee) on the same terms as Convertible Notes issued to non-related party participants in the CN Placement and as such the giving of the financial benefit is on arm's length terms.

In respect to Resolution 3, the Directors (other than Mr Darren Levy who has a material personal interest in Resolution 3) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the issue of Convertible Notes because the Convertible Notes will be issued to Mr Darren Levy on the same terms as Convertible Notes issued to non-related party participants in the CN Placement and as such the giving of the financial benefit is on arm's length terms.

In respect to Resolution 4, the Directors consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the issue of Convertible Notes because the Convertible Notes will be issued to Mr Andrew Van Der Zwan on the same terms as Convertible Notes issued to non-related party participants in the CN Placement and as such the giving of the financial benefit is on arm's length terms.

### **2.3 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 CN Placement involves the issue of Convertible Notes (and the issue of Shares and Options on conversion of those Convertible Notes) to related parties 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.

### **2.4 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 issue of Convertible Notes to the Related Parties:

- (a) the Convertible Notes will be issued to Messrs Mr Paul Garner, Mr Darren Levy and Mr Andrew Van Der Zwan (or their respective nominees);
- (b) the maximum number of Convertible Notes to be issued is:
  - (i) 250,000 Convertible Notes to Mr Paul Garner (or his nominees);
  - (ii) 50,000 Convertible Notes to Mr Darren Levy (or his nominees); and
  - (iii) 26,666 Convertible Notes to Mr Andrew Van Der Zwan (or his nominees);
- (c) the Convertible Notes 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);
- (d) 91,666 Convertible Notes will be issued at a deemed issue price of \$1.00 per Convertible Note;
- (e) the issue price of the remaining 235,000 Convertible Notes will be \$1.00 per Convertible Note, being the same as all other Convertible Notes issued under the CN Placement;
- (f) the Convertible Notes will be issued on the terms and conditions set out in Schedule 1;
- (g) 91,666 Convertible Notes will be issued for nil cash consideration, rather they will be issued in extinguishment of debt, and accordingly no funds will be raised for their issue; and
- (h) the funds raised from the issue of the remaining 235,000 Convertible Notes will be used for the same purposes as the funds raised under the CN Placement as set out in Section 1.2(f).

Approval pursuant to ASX Listing Rule 7.1 is not required for the issue of the Convertible Notes to the Related Parties as approval is being obtained under ASX Listing Rule 10.11. Accordingly, the issue of Convertible Notes to the Related Parties (or their respective nominees) will not be included in the use of the Company's 15% annual placement capacity pursuant to ASX Listing Rule 7.1.

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### **3. RESOLUTION 5 – PLACEMENT – SHARES**

#### **3.1 General**

Resolution 5 seeks Shareholder approval for the issue of up to 60,000,000 Shares at an issue price of not less than 80% of the volume weighted average market price for Shares calculated over the 5 days on which sales in the Shares are recorded before the day on which the issue is made (**Share Placement**).

The Company will pay a fee of up to 6% (exclusive of goods and services tax) on the amount raised under the Share Placement.

A summary of ASX Listing Rule 7.1 is set out in Section 1.1 above.

The effect of Resolution 5 will be to allow the Company to issue the Shares pursuant to the Share Placement during the period of 3 months after the

Meeting (or a longer period, if allowed by ASX), without using the Company's 15% annual 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 the Share Placement:

- (a) the maximum number of Shares to be issued is 60,000,000;
- (c) the Shares 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 Shares will occur progressively;
- (b) the issue price will be not less than 80% of the volume weighted average market price for Shares calculated over the 5 days on which sales in the Shares are recorded before the day on which the issue is made;
- (d) the Directors will determine to whom the Shares will be granted but these persons will not be related parties of the Company;
- (c) the Shares issued 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
- (d) the Company intends to use the funds raised from the Share Placement towards exploration expenses on the Company's existing oil and gas projects in the USA, administration expenses and general working capital.

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## **4. RESOLUTION 6 – PLACEMENT – OPTIONS**

### **4.1 General**

Resolution 6 seeks Shareholder approval for the issue of up to 60,000,000 Options at an issue price of \$0.001 per Option to raise up to \$60,000 (**Option Placement**).

The Company will pay a fee of up to 6% (exclusive of goods and services tax) on the amount raised under the Option Placement.

A summary of ASX Listing Rule 7.1 is set out in Section 1.1 above.

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

### **4.2 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 Option Placement:

- (a) the maximum number of Options to be issued is 60,000,000;
- (e) 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 progressively;

- (b) the issue price will be \$0.001 per Option;
- (f) the Directors will determine to whom the Options will be granted but these persons will not be related parties of the Company;
- (c) the Options will be issued on the terms and conditions set out in Schedule 2; and
- (d) the Company intends to use the funds raised from the Option Placement towards exploration expenses on the Company's existing oil and gas projects in the USA, administration expenses and general working capital.

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## **5. RESOLUTION 7 – RATIFICATION OF PRIOR ISSUE – SHARES**

### **5.1 General**

On 10 March 2016, the Company issued 12,500,000 Shares at an issue price of \$0.008 per Share to raise \$100,000.

Resolution 7 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of those Shares (**Ratification**).

A summary of ASX Listing Rule 7.1 is set out in Section 1.1 above.

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% annual placement capacity set out in ASX Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

### **5.2 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) 12,500,000 Shares were issued;
- (b) the issue price was \$0.008 per Share;
- (c) the Shares issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (d) the Shares were issued to Mocter Pty Ltd, who is not a related party of the Company; and
- (e) the funds raised from this issue were used to extinguish an existing loan.

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## GLOSSARY

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**\$** 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 TTE Petroleum Ltd (ACN 109 213 470).

**Constitution** means the Company's constitution.

**Convertible Note** means a convertible note with the terms and conditions set out in Schedule 1.

**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.

**Noteholder** means the holder of a Convertible Note.

**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 2.

**Optionholder** means a holder of an Option.

**Proxy Form** means the proxy form accompanying the Notice.

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

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

**Shareholder** means a registered holder of a Share.

**VWAP** means the volume weighted average price of Shares.

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

## SCHEDULE 1 – TERMS AND CONDITIONS OF CONVERTIBLE NOTES

The terms and conditions of each Convertible Note are as follows:

Term	Details
<b>Subscription Amount</b>	\$1.00 each.
<b>Maturity Date</b>	31 October 2017.
<b>Interest</b>	Interest is payable on a monthly basis at the rate of 9.75% per annum on the outstanding Subscription Amount.
<b>Unsecured</b>	Each Convertible Note will be unsecured and the Noteholders will rank equally with all other unsecured creditors of the Company.
<b>Conversion</b>	<p><i>The Convertible Notes can only be converted into Subscription Shares by the Noteholder providing the Company with written notice that the Noteholder elects to convert the Convertible Notes into Subscription Shares, such election made at any time prior to the Maturity Date.</i></p> <p><i>On conversion, each Convertible Note will convert into that number of Shares which, when multiplied by the issue price of \$0.03 per Share or 80% of the 10 day VWAP, whichever is lower (<b>Issue Price</b>), equals the outstanding Subscription Amount plus (subject to compliance with the ASX Listing Rules) any interest due and payable (<b>Subscription Shares</b>). Subject to and on conversion, the Company will issue the Noteholder one free Option for every two Subscription Shares issued pursuant to the conversion of Convertible Notes. The Options will be issued on the terms and conditions set out in Schedule 2.</i></p> <p><i>If, at any time prior to the conversion of the Convertible Notes, the issued capital of the Company is reorganised (including consolidation, subdivision, reduction, return or cancellation of the issued capital or bonus issue), the terms of the Convertible Notes (e.g. the conversion rate of Subscription Shares) will be reorganised so as to ensure that the Noteholder will not be disadvantaged by the reorganisation in its position relative to Shareholders, but at the same time will not receive a benefit that Shareholders do not also receive. For the avoidance of doubt, a reorganisation excludes any placement or pro-rata entitlement issue of securities to Shareholders.</i></p>
<b>Redemption</b>	<p>The Convertible Note can only be redeemed in the following circumstances:</p> <p>(a) upon the Noteholder providing the Company with notice that the Noteholder intends to convert the Convertible Note; or</p> <p>(b) by repayment in cash automatically on the Maturity Date.</p>
<b>Transferability</b>	The Convertible Notes are transferrable.
<b>Quotation</b>	The Company will not apply for the Convertible Notes to be quoted.
<b>No Voting Rights</b>	The Noteholder will not have any voting rights prior to conversion.

<b>Participation</b>	There are no participation rights or entitlements inherent in the Convertible Notes and Noteholders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Convertible Notes without conversion of the Convertible Notes.
<b>Governing Law</b>	Western Australia, Australia.

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## SCHEDULE 2 - TERMS AND CONDITIONS OF OPTIONS

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The Options entitle the holder to subscribe for Shares on the following terms and conditions:

- (a) Each Option entitles the holder to subscribe for one (1) Share upon the payment of \$0.02 per Share subscribed for.
- (a) The Options will lapse at 5.00pm, Western Standard Time on 31 May 2020.
- (b) The Company may, in its absolute discretion, apply for the Options to be listed for official quotation on the ASX in the future. In the event that the Options are listed for official quotation on the ASX in the future, the Company is under no obligation to maintain the listing and may take any action that may result in the delisting of the Options by the ASX.
- (c) If the Options are not quoted on the ASX, the Option holder must not offer any of the Options, or the Shares issued on exercise of the Options, for sale to any person (Secondary Offer) within 12 months from the respective date of issue of those Options or Shares (as applicable) unless:
  - (i) the Secondary Offer does not require disclosure as a result of sections 707 or 708 of the Corporations Act (excluding section 708(1) of the Corporations Act);
  - (ii) the Secondary Offer does not require disclosure as a result of section 708A or ASIC Class Order 04/671 or any variation or replacement of such Class Order;
  - (iii) the Secondary Offer is made pursuant to a disclosure document in accordance with the Corporations Act; or
  - (iv) the Secondary Offer is received by a person outside Australia.
- (d) For the avoidance of doubt, paragraph (d)(iii) does not create any obligation on the Company to issue a disclosure document (whether at its cost or otherwise).
- (e) There are no participating rights or entitlements inherent in the Options and holders of the Options will not be entitled to participate in new issues of capital that may be offered to Shareholders during the currency of the Option.
- (f) In the event of any re-organisation (including reconstruction, consolidation, subdivision, reduction or return of capital) of the issued capital of the Company, the Options will be re-organised as required by the ASX Listing Rules, but in all other respects the terms of exercise will remain unchanged.
- (g) The Options shall be exercisable by the delivery to the registered office of the Company of a notice in writing stating the intention of the Option holder to exercise all or a specified number of Options held by them accompanied by an Option Certification and payment to the Company for the subscription monies for the Shares. An exercise of only some Options shall not affect the rights of the Option holder to the balance of the Options held by them.
- (h) The notice of exercise of Options may be deemed by the Company to be received at the end of the calendar month in which it is actually received and



the Company shall comply with the ASX Listing Rules with respect to the allotment of resultant Shares and the issue of a statement of shareholding.

- (i) Shares allotted pursuant to an exercise of Options shall rank, from the date of allotment, equally with the existing Shares of the Company in all respects.
- (j) The Company shall make an application to have those Shares allotted pursuant to an exercise of Options listed for official quotation by ASX.
- (k) If there is a bonus share issue to the holders of Shares, the number of Shares over which an Option is exercisable will be increased by the number of Shares which the Optionholder would have received if the Option had been exercised before the record date for the bonus issue.
- (l) There is no right to change the exercise price of the Options nor the number of underlying Shares over which the Options can be exercised, if the Company completes a pro rata issue.

**PROXY FORM**

**TTE PETROLEUM LTD  
ACN 109 213 470**

**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 10:30 am, on 24 June 2016 at 28 Outram St, West Perth Western Australia 6005, and at any adjournment thereof.

**AUTHORITY FOR CHAIR TO VOTE UNDIRECTED PROXIES ON REMUNERATION RELATED RESOLUTIONS**

Where I/we have appointed the Chair as my/our proxy (or where the Chair becomes my/our proxy by default), I/we expressly authorise the Chair to exercise my/our proxy on Resolutions 2, 3 and 4 (except where I/we have indicated a different voting intention below) even though Resolutions 2, 3 and 4 are connected directly or indirectly with the remuneration of a member of the Key Management Personnel, which includes the Chair.

**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	Placement – Convertible Notes	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Issue of Convertible Notes to Mr Paul Garner	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Issue of Convertible Notes to Mr Darren Levy	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Issue of Convertible Notes to Mr Andrew Van Der Zwan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5	Placement – Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6	Placement – Options	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 7	Ratification of Prior Issue – Shares	<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 TTE Petroleum Ltd, Suite 3, 28 Outram St, West Perth WA 6005; or
  - (b) facsimile to the Company on facsimile number +61 8 6267 8155; orso 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.**