

# **African Energy Resources Limited**

ARBN 123 316 781

## **NOTICE OF ANNUAL GENERAL MEETING AND EXPLANATORY STATEMENT**

**For the Annual General Meeting to be held on Friday 16 November 2018  
at 10.30am (Western Standard Time)  
at Suite 1, 245 Churchill Avenue, Subiaco, 6008, Western Australia**

**This is an important document. Please read it carefully and in its entirety.  
If you do not understand it please consult your professional advisers.**

**Please complete the form of proxy enclosed  
and return it in accordance with the instructions set out on that form.**

## **TIME AND PLACE OF ANNUAL GENERAL MEETING AND HOW TO VOTE**

This Annual General Meeting of the Shareholders of African Energy Resources Limited will be held at:

**Suite 1, 245 Churchill Avenue  
Subiaco 6008  
Western Australia**

**Commencing at 10.30am (Western Standard Time) on Friday 16 November 2018**

The Directors have set a date to determine the identity of those entitled to attend, speak and vote at the Meeting. The date is Wednesday 14 November 2018 at 10.30am (Western Standard Time).

How you will be able to vote depends on if you are a Shareholder or a Chess Depository Interest (CDI) holder. The majority of voters will be CDI holders. Both methods are listed below:

### **CHESS Depository Interests**

CDI Holders are invited to attend and speak at the Meeting but are not entitled to vote at the Meeting. In order to have votes cast at the Meeting on their behalf, CDI holders must complete, sign and return the Voting Instruction Form (as attached to this Notice of Annual General Meeting) as per the information below so that CHESS Depository Nominees Pty Ltd (CDN) can vote the underlying Shares on their behalf.

### **Shareholders**

Ordinary Shareholders may vote by attending the Meeting in person, by proxy or by authorised representative. Shareholders of the Company, entitled to attend, speak and vote are entitled to appoint one or more proxies to attend, speak and vote at this Meeting. The completion and return of a valid form of proxy will not prevent holders of ordinary Shares from attending, speaking and voting in person at the Meeting if so desired. Where more than one proxy is appointed, each proxy must be appointed to represent a specified proportion of the Shareholder's voting rights. If the Shareholder appoints two proxies and the appointment does not specify this proportion, each proxy may exercise half of the votes. A proxy need not be a Shareholder of the Company.

### **Voting in Person**

To vote in person you need to attend the Meeting on the date and at the place set out above.

### **Attendance at Meeting**

All holders of Shares appearing in the Company's Register of Shareholders at 14 November 2018 at 10.30am Western Standard Time will be entitled to attend and vote at the Meeting.

### Proxy and Voting Instruction forms

To be effective, the proxy must be received by the Company no later than 10:30am Western Standard Time on 14 November 2018. The following methods of delivery for proxies are specified:

Online: Visit [www.linkmarketservices.com.au](http://www.linkmarketservices.com.au). Select 'Investor Login' and in the "Single Holding" section enter African Energy Resources Limited or the ASX code ('AFR') in the Issuer name field, your Security-holder 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 Voting Instruction Form if you lodge it in accordance with the instructions given on the website, so that it is received not later than 10:30am (Western Standard Time) on 14 November 2018.

By post: African Energy Resources Limited  
C/- Link Market Services Limited  
Locked Bag A14  
Sydney South NSW 1235

By facsimile: +61 2 9287 0309

By delivery: Link Market Services Limited  
1A Homebush Bay Drive  
Rhodes NSW 2138

Your proxy form or voting instruction form is enclosed with this notice, depending on your holder status.

Notice is hereby given that the Annual General Meeting of the Shareholders of African Energy Resources Limited will be held at Suite 1, 245 Churchill Avenue, Subiaco, 6008, Western Australia on Friday 16 November 2018 at 10.30am (Western Standard Time), for the purpose of transacting the business set out below.

The Explanatory Statement is to be read in conjunction with this Notice.

## **AGENDA**

### **GENERAL BUSINESS**

#### **Resolution 1 – Receipt of Financial Statements and Reports**

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

*"That the Company consider and receive the profit and loss account and the balance sheet of the Company for the financial year ended 30 June 2018 and the reports of the Directors and Auditors thereon."*

**Short Explanation:** The Articles require that a profit and loss account, a balance sheet, a report of the Directors and a report of the Auditors be laid before the Company at its annual general meeting each year.

#### **Resolution 2 – Re-election of Director – Vincent Masterton-Hume**

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

*"That Vincent Masterton-Hume, who retires by rotation in accordance with article 122 of the Articles of Association of the Company, and being eligible, offers himself for re-election, is hereby re-elected as a Director of the Company."*

**Short Explanation:** Mr Masterton-Hume has been a Director of the Company since 11 September 2013 and was last re-elected at the 2015 annual general meeting. Mr Masterton-Hume is presented for re-election in accordance with the rotation requirements of the Articles.

#### **Resolution 3 – Re-election of Director – Mr John Dean**

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

*"That Mr John Dean, who retires by rotation in accordance with article 122 of the Articles of Association of the Company, and being eligible, offers himself for re-election, is hereby re-elected as a Director of the Company."*

**Short Explanation:** Mr Dean has been a Director of the Company since 22 December 2014 and was last re-elected at the 2015 annual general meeting. Mr Dean is presented for re-election in accordance with the rotation requirements of the Articles.

#### **Resolution 4 – On market share buyback**

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

*"That the Company be and is hereby authorised, in accordance with section 315 of the Companies (Guernsey) Law, 2008 (as amended) (the Law) and the Articles to make market acquisitions (within the*

*meaning of section 316 of the Law) of fully paid shares in the Company (the Shares) on such terms and in such manner as the Directors shall from time to time determine (Market Purchases), provided that:*

- (a) *the maximum number of Shares authorised to be acquired is 25,000,000 Shares;*
- (b) *the minimum price to be paid for a Market Purchase of a Share shall be the price which is not less than 5% below the volume weighted average price of the Shares on the ASX over the last five trading days on which sales of shares were recorded before the day on which the purchase under the buy-back is made;*
- (c) *the maximum price to be paid for a Market Purchase of a Share will be the price which is not more than 5% above the volume weighted average price of the Shares on the ASX over the last five trading days on which sales of shares were recorded before the day on which the purchase under the buy-back is made;*
- (d) *the authority hereby conferred shall expire on 15 May 2019 or, if sooner, on the conclusion of the Company's annual general meeting in 2019, if not renewed at that general meeting;*
- (e) *subject to the provisions of the Law, any of the Shares so acquired will be cancelled entirely."*

**Short Explanation:** This resolution seeks authority for the Company to make market purchases of its Shares.

**BY ORDER OF THE BOARD**

Daniel Davis  
Company Secretary  
Dated: 16 October 2018

This Explanatory Statement is intended to provide Shareholders with sufficient information to assess the merits of the Resolutions contained in the Notice.

The Directors recommend that Shareholders read this Explanatory Statement in full before making any decision in relation to the Resolutions.

#### **1. Resolution 1 – Receipt of Financial Statements and Reports**

The Company's 2018 Annual Report contains the financial statements of the Company for the financial year ended 30 June 2018. It also contains a report by the Directors and the Company's auditors.

Pursuant to article 77 of the Articles, the ordinary business of an Annual General Meeting of the Company is to receive and consider the profit and loss account and the balance sheet of the Company and the reports of the Directors and the auditors. Article 199 requires a balance sheet and profit and loss to be laid before the Company at its Annual General Meeting each year together with a report by the Directors and a report by the Company's auditors.

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

#### **2. Resolution 2 – Re-Election of Director – Vincent Masterton-Hume**

Mr Masterton-Hume was appointed a director of the Company on 11 September 2013 and was last re-elected at the annual general meeting held on 20 November 2015.

Pursuant to article 122 of the Articles, Mr Masterton-Hume, being a Director of the Company, retires by way of rotation and, being eligible, offers himself for re-election as a Director of the Company.

Details of the qualifications and experience of Mr Masterton-Hume are set out in the 2018 Annual Report for the Company.

#### **3. Resolution 3 – Re-Election of Director – John Dean**

Mr Dean was appointed a director of the Company on 22 December 2014 and was last re-elected at the annual general meeting held on 20 November 2015.

Pursuant to article 122 of the Articles, Mr Dean, being a Director of the Company, retires by way of rotation and, being eligible, offers himself for re-election as a Director of the Company.

Details of the qualifications and experience of Mr Dean are set out in the 2018 Annual Report for the Company.

#### **4. Resolution 4 – On market share buyback**

This resolution seeks authority for the Company to make market purchases of its Shares and is proposed as an ordinary resolution. If passed, the resolution gives authority for the Company to purchase up to 25,000,000 Shares, representing approximately 4% of the Company's issued ordinary share capital as at 16 October 2018.

The resolution specifies the minimum and maximum prices which may be paid for any Shares purchased under this authority.

The authority will expire on the earlier of the Company's 2019 annual general meeting or on the date which is 18 months less one day from the date of this resolution.

The Directors will cancel all Shares purchased under this authority and will comply with its obligations pursuant to the ASX Listing Rules.

The Directors recommend that Shareholders vote in favour of Resolution 4.

In this Explanatory Statement, the following expressions have the following meanings:

"**Annual General Meeting**" or "**Meeting**" means this Meeting.

"**Articles**" means the Articles of Association of the Company as amended from time to time.

"**ASX**" means the ASX Limited, ABN 98 008 624 691.

"**Board**" means the Board of Directors of the Company.

"**Company**" means African Energy Resources Limited (ARBN 123 316 781).

"**Directors**" means the Directors of the Company from time to time.

"**Explanatory Statement**" means this explanatory statement.

"**Law**" means Companies (Guernsey) Law, 2008 (as amended).

"**Market Purchase**" means market acquisitions of Shares in the Company on such terms and in such manner as the Directors shall from time to time determine.

"**Meeting**" means the meeting convened by this Notice.

"**Notice**" or "**Notice of Meeting**" means the notice of meeting that accompanies this Explanatory Statement.

"**Resolution**" means a resolution contained in the Notice.

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

"**Shareholder**" means a registered holder of a Share in the Company.

"**Western Standard Time**" means Western Standard Time, Perth, Western Australia.


**LODGE YOUR INSTRUCTION**

 **ONLINE**  
www.linkmarketservices.com.au

 **BY MAIL**  
African Energy Resources 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


**X999999999999**
**CDI VOTING INSTRUCTION FORM**
**STEP 1**
**DIRECTION TO CHESS DEPOSITARY NOMINEES PTY LTD**

I/We being a holder of CHESS Depository Interests (**CDIs**) of African Energy Resources Limited (**Company**) hereby direct CHESS Depository Nominees Pty Ltd (**CDN**) to vote the shares underlying my/our CDI holding at the Annual General Meeting of stockholders of the Company to be held at **10.30pm (WST) on Friday, 16 November 2018 at Suite 1, 245 Churchill Avenue, Subiaco, 6008, Western Australia**, and at any adjournment or postponement of that Meeting, in accordance with the following directions. By execution of this CDI Voting Instruction Form the undersigned hereby authorises CDN to appoint such proxies or their substitutes in their discretion to vote in accordance with the directions set out below.

**VOTING INSTRUCTIONS**

**Voting instructions will only be valid and accepted by CDN 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 .**

**Resolutions**

	For	Against	Abstain*
1 Receipt of Financial Statements and Reports	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Re-election of Director – Vincent Masterton-Hume	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 Re-election of Director – Mr John Dean	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4 On market share buyback	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>



\* If you do not mark the "For", "Against" or "Abstain" box your vote will not be counted.

**STEP 2**
**SIGNATURE OF CDI HOLDERS – THIS MUST BE COMPLETED**

CDI Holder 1 (Individual)

Sole Director and Sole Company Secretary

Joint CDI Holder 2 (Individual)

Director/Company Secretary (Delete one)

Joint CDI Holder 3 (Individual)

Director

This form should be signed by the CDI Holder in accordance with the instructions overleaf.

**STEP 3**




## HOW TO COMPLETE THIS CDI VOTING INSTRUCTION FORM

### YOUR NAME AND ADDRESS

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

### DIRECTION TO CHESSE DEPOSITARY NOMINEES PTY LTD

Each CHESSE Depositary Interest (CDI) is evidence of an indirect ownership in the Company's shares of common stock (Shares). The underlying Shares are registered in the name of CHESSE Depositary Nominees Pty Ltd (CDN). As holders of CDIs are not the legal owners of the Shares, CDN is entitled to vote at the Meetings of stockholders on the instruction of the registered holders of the CDIs.

### 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, either holder may sign.

**Power of Attorney:** to sign under Power of Attorney, you must lodge the Power of Attorney with Link. 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:** with respect to an Australian company, 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.

### LODGEMENT OF A CDI VOTING INSTRUCTION FORM

This CDI Voting Instruction Form (and any Power of Attorney under which it is signed) must be received at an address given below by **10:30am (WST) on Wednesday, 14 November 2018**, being not later than 48 hours before the commencement of the Meeting. Any CDI Voting Instruction Form received after that time will be invalid.



#### ONLINE

[www.linkmarketservices.com.au](http://www.linkmarketservices.com.au)

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



#### BY MAIL

African Energy Resources 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

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



### COMMUNICATIONS 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](http://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).