

25 October 2021

Dear Shareholder,

Annual General Meeting – Notice and Proxy Form

Notice is hereby given that the Annual General Meeting (Meeting) of Shareholders of Melbana Energy Resources Limited (ASX:MAY) (ACN 066 47 952) (**Company**) will be held virtually via the online platform at <https://meetings.linkgroup.com/MAY21> on Friday 26th November 2021 at 10:30am (AEDT).

If you are a shareholder or proxyholder who wishes to attend and participate in the virtual meeting, please refer to the virtual meeting online guide and instructions outlined in this Notice of Meeting available at <http://www.melbana.com>.

In accordance with subsection 5(f) of the Corporations (Coronavirus Economic Response) Determination (No 1) 2020, the Company will not be dispatching physical copies of the Notice of Meeting (**NOM**). Instead, a copy of the NOM is available under <http://www.melbana.com>.

The health and safety of members, Company personnel and other stakeholders is the highest priority and the Company is acutely aware of the current circumstances that result from COVID-19. While the COVID-19 situation continues to change and remains uncertain, based on the best information available to the Board at the time of the NOM, the Company intends to conduct a poll on the resolutions set out in the NOM using the proxies filed prior to the Meeting.

As you have not elected to receive NOMs by email, a copy of your personalised proxy form is enclosed to this letter for your convenience.

Shareholders are encouraged to vote online at www.linkmarketservices.com.au or by returning the attached proxy form by:

Post to: Link Market Services
 Locked Bag A14
 Sydney South NSW 1235

or

Fax to: +61 2 9287 0309

Your proxy voting instruction must be received by 10:30am (AEDT) on Wednesday, 24th November 2021, being not less than 48 hours before the commencement of the Meeting. Any proxy voting instructions received after that time will not be valid for the Meeting.

The NOM is important and should be read in its entirety. If you are in doubt as to the course of action you should follow, you should consult your financial adviser, lawyer, accountant or other professional adviser. If you have any difficulties obtaining a copy of the NOM, please contact the Company's share registry, Link Market Services, on 1300 554 474 (within Australia) or +61 1300 554 474 (overseas).

Yours faithfully,

Theo Renard
Company Secretary



ACN 066 447 952

Notice of Annual General Meeting Explanatory Statement and Proxy Form

- Date of Meeting:** Friday, 26 November 2021
- Time of Meeting:** 10.30am (AEDT)
- Venue:** To be held as a virtual meeting via the online platform at <https://meetings.linkgroup.com/MAY21>
- Virtual Meeting:** Due to the ongoing COVID-19 pandemic, the meeting will be held virtually via a webinar. If you are a shareholder or proxyholder who wishes to attend and participate in the virtual meeting, please refer to the virtual meeting online guide and instructions outlined in this Notice of Meeting. Shareholders are strongly encouraged to lodge their completed proxy in accordance with the instructions in this Notice of Meeting.

Following recent modifications brought to the Corporations Act 2001 and the Corporations Regulations 2001 under the Corporations (Coronavirus Economic Response) Determination (no.1) 2021, **no hard copy** of the Notice of Annual General Meeting and Explanatory Memorandum will be circulated. The Notice of Meeting has been given to those entitled to receive by use of one or more technologies. The Notice of Meeting is also available on the Australian Stock Exchange Announcement platform and on the Company's website <http://www.melbana.com>

This Notice of Annual General Meeting and Explanatory Statement should be read in its entirety. If shareholders are in doubt as to how they should vote, they should seek advice from their accountant, solicitor or other professional advisor without delay

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting of Shareholders of Melbana Energy Limited (the **Company**) will be held virtually via a webinar conferencing facility at 10.30am (AEDT) on Friday, 26 November 2021 (**Annual General Meeting or Meeting**).

The health and safety of members and personnel, and other stakeholders, is the highest priority and the Company is acutely aware of the current circumstances resulting from COVID-19. While the COVID-19 situation remains volatile and uncertain, based on the best information available to the Board at the time of the Notice, the Company intends to conduct a poll on the resolutions set out in the Notice.

How to Vote Prior to the Meeting

Shareholders may appoint a proxy online at www.linkmarketservices.com.au or by submitting a proxy form to the share registry. Please note that your votes need to be received by no later than 10:30am (AEDT) on Wednesday, 24 November 2021.

- To log in, you will need your holder identifier (SRN or HIN) and postcode.

How to be present virtually and vote at the meeting

Shareholders and proxy holders will have the opportunity to be present virtually via a live webcast and will be able to vote electronically via the online platform (including lodging a vote in real time and asking questions online).

You can access the platform at <https://meetings.linkgroup.com/MAY21>

- To log in, you will need your holder identifier (SRN or HIN) and postcode.

Voting will be available between the registration open of the Meeting (10:00am on Friday, 26 November 2021) and the closure of voting as announced by the Chair during the meeting.

The Company strongly recommends that its shareholders lodge a directed proxy as soon as possible in advance of the meeting even if they are planning to attend the meeting online.

The Company is happy to accept and answer questions submitted prior to the meeting by email to admin@melbana.com. Where a written question is raised in respect of the key management personnel of the Company or, the resolutions to be considered at the meeting, the Company will address the relevant question during the course of the meeting or by written response after the Meeting (subject to the discretion of the Company not to respond to unreasonable and/or offensive questions). If the situation in relation to COVID-19 were to change in a way that affects the position above, the Company will provide a further update ahead of the Meeting by releasing an announcement to ASX.

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

AGENDA

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

ORDINARY BUSINESS

Receipt and Consideration of Accounts & Reports

To receive and consider the financial report of the Company and the related reports of the Directors (including the Remuneration Report) and auditors for the year ended 30 June 2021.

Note: Except for as set out in Resolution 1, there is no requirement for shareholders to approve these reports. Accordingly, no resolution will be put to shareholders on this item of business.

Resolution 1: Adoption of Remuneration Report

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

"That for the purpose of section 250R(2) of the Corporations Act 2001 and for all other purposes, the Remuneration Report (included in the Directors' report) for the financial year ended 30 June 2021 be adopted."

Resolution 2: Re-election of Mr. Michael Sandy as a Director of the Company

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

"That Mr. Michael Sandy, who retires by rotation pursuant to the Constitution of the Company and, being eligible, offers himself for re-election as a Director of the Company."

Resolution 3: Approval of issue of performance rights to Mr. Andrew Purcell (Executive Chairman)

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

"That, for the purposes of Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue up to 31,812,050 Performance Rights to Andrew Purcell (or his nominee) on the terms and conditions set out in the Explanatory Statement."

Resolution 4: Ratification of previous Option issue

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

"That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, the prior issue of 12,000,000 Options on 10 September 2021 to Canaccord Genuity (Australia) Limited as Underwriter and 356,438,678 to Sub-underwriters as fees for Underwriting and Sub-Underwriting services for the Non-Renounceable Entitlement Offer announced on 30 July 2021, on the terms and conditions set out in the Explanatory Memorandum be ratified."

Resolution 5: Confirmation of Change of Auditor

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

“That, for the purposes of section 327B (1) of the Corporations Act 2001 and for all other purposes, Shareholders ratify the appointment of MNSA Pty Ltd of 283 George Street, Sydney, NSW, 2000 who were nominated by a shareholder, consented in writing to act as auditor of the Company and appointed as auditor of the Company, on 16 August 2021”.

SPECIAL BUSINESS

Resolution 6: Approval of 10% Additional Placement Capacity

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

“That, for the purpose of ASX Listing Rule 7.1A and for all other purposes, approval is given for the issue of Equity Securities totalling up to 10% of the capital at the time of issue, calculated in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 and on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusions

Voting exclusions for the above resolutions are detailed on pages 5 & 6 below.

By the order of the Board

Theo Renard, Company Secretary

Dated: 25 October 2021

Notes

1. **Entire Notice:** The details of the resolutions contained in the Explanatory Statement accompanying this Notice of Meeting should be read together with, and form part of, this Notice of Meeting.
2. **Record Date:** The Company has determined that for the purposes of the Annual General Meeting, shares will be taken to be held by the persons who are registered as holding the shares at 7.00pm on the date two days before the date of the Annual General Meeting. Only those persons will be entitled to vote at the Annual General Meeting and transfers registered after that time will be disregarded in determining entitlements to attend and vote at the Annual General Meeting. On a poll, members have one vote for every fully paid ordinary share held.
3. **Proxies**
 - a. Votes at the Annual General Meeting may be given personally or by proxy, attorney or representative.
 - b. Each shareholder has a right to appoint one or two proxies.
 - c. A proxy need not be a shareholder of the Company.
 - d. If a shareholder is a company it must execute under its common seal or otherwise in accordance with its constitution or the Corporations Act.
 - e. Where a shareholder is entitled to cast two or more votes, the shareholder may appoint two proxies and may specify the proportion of number of votes each proxy is appointed to exercise.
 - f. If a shareholder appoints two proxies, and the appointment does not specify the proportion or number of the shareholder's votes, each proxy may exercise half of the votes. If a shareholder appoints two proxies, neither proxy may vote on a show of hands.
 - g. A proxy must be signed by the shareholder or his or her attorney who has not received any notice of revocation of the authority. Proxies given by corporations must be signed in accordance with corporation's constitution and Corporations Act.
 - h. If you sign the proxy form and do not appoint a proxy, you will have appointed the Chair of the meeting as your proxy.
 - i. To be effective, proxy forms must be received by the Company's share registry (Link Market Services) no later than 48 hours before the commencement of the Annual General Meeting, that is no later than 10.30am (AEDT) on Wednesday 24th November 2021. Any proxy received after that time will not be valid for the scheduled meeting.

4. Corporate Representative

Any corporate shareholder who has appointed a person to act as its corporate representative at the Meeting should provide that person with a certificate or letter executed in accordance with the Corporations Act authorising him or her to act as that company's representative. The authority may be sent to the registry in advance of the Meeting. Corporate Representatives will be required to acknowledge their appointment in the virtual meeting platform when voting or asking a question.

How the Chair will vote Undirected Proxies

Subject to the restrictions set out in Note 6 below, the Chair of the meeting will vote undirected proxies in favour of all of the proposed resolutions. In exceptional circumstances, the Chair may change his or her voting intention on the Resolution, in which case an ASX announcement will be made. Shareholders may also choose to direct the Chair to vote against the Resolution or to abstain from voting.

5. Voting Exclusion Statements:

Resolution 1

In accordance with sections 250R and 250BD of the Corporations Act, a vote must not be cast (in any capacity, including as a proxy), and the Company will disregard any votes purported to be cast, on this resolution by, or on behalf of, a member of the Key Management Personnel, details of whose remuneration are included in the remuneration report, or a Closely Related Party of such a member (**KMP voter**), unless the KMP voter is casting a vote on this resolution on behalf of a person who is not a KMP voter (including as a proxy) and either:

- a) the KMP voter is appointed as a proxy by writing that specifies the way the proxy is to vote on the resolution; or
- b) the KMP voter is the Chair of the meeting and the appointment of the Chair as proxy:
 - i) does not specify the way the proxy is to vote on the resolution; and
 - ii) expressly authorises the Chair to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the key management personnel for the Company or the consolidated entity.

If you appoint the Chairman as your proxy and you do not direct the Chairman how to vote, you will be expressly authorising the Chairman to exercise the proxy even if the relevant resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel for the Company

If the Chair of the Meeting is appointed as a proxy for a person who is permitted to vote on this Resolution, the Chair will vote any proxies which do not indicate on their Proxy Form the way the Chair must vote, in favour of this Resolution. In exceptional circumstances, the Chair may change his or her voting intention on the Resolution, in which case an ASX announcement will be made. Shareholders may also choose to direct the Chair to vote against the Resolution or to abstain from voting.

If you purport to cast a vote other than as permitted above, that vote will be disregarded by the Company (as indicated above) and you may be liable for breaching the voting restrictions that apply to you under the Corporations Act.

Resolution 2

There are no voting exclusions on this resolution.

Resolution 3

The Company will disregard any votes cast in favour of Resolution 3 by or on behalf of:

- * a person who is expected to participate in, or who will obtain a material benefit as a result of the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company); or
- * an associate of that person or those persons.

However, this does not apply to a vote cast in favour of the applicable Resolution by:

- * a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way; or
- * the Chair of the Meeting as proxy or attorney for a person who is entitled to vote on the Resolution in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- * a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - o the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and
 - o the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

A further restriction (Voting Prohibition) also applies to Key Management Personnel and their closely related parties voting undirected proxies on Resolution 3.

Resolution 4

The Company will disregard any votes cast in favour of the Resolution by or on behalf of a person who participated in the issue or is a counterparty to the agreement being approved or an associate of that person or those persons.

However, this does not apply to a vote cast in favour of the Resolution by:

- a) a person as a proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the directions given to the proxy or attorney to vote on the Resolution in that way; or
- b) the Chair as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
 - ii) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Resolution 5

There are no voting exclusions on this resolution.

Resolution 6

There are no voting exclusions on this resolution.

6. Enquiries

Shareholders are invited to contact the Company Secretary on (02) 8323 6600 if they have any queries in respect of the matters set out in these documents.

EXPLANATORY MEMORANDUM

Purpose of Information

This Explanatory Statement (**Statement**) accompanies and forms part of the Company's Notice of Annual General Meeting (**Notice**) for the 2021 Annual General Meeting (**Meeting**) to be held virtually at 10.30am (AEDT) on Friday 26 November 2021 via the online platform at <https://meetings.linkgroup.com/MAY21>

The Notice incorporates, and should be read together, with this Statement.

Receipt and consideration of Accounts & Reports

A copy of the Annual Report for the financial year ending 30 June 2021 which incorporates the Company's financial report, reports of the Directors (including the Remuneration Report and the auditors) is not enclosed as there is no longer a requirement for the Company to incur the printing and distribution cost associated with doing so for all shareholders. You may obtain a copy free of charge in hard copy form by contacting the Company by phone at (02) 8323 6600, and you may request that this occurs on a standing basis for future years.

Alternatively, you may access the Annual Report at the Company's website: <https://www.melbana.com/site/investors/annual-reports> or via the Company's announcement platform on ASX. Except for as set out in Resolution 1, no resolution is required on these reports.

Shareholders will have the opportunity to ask questions about or make comments on, the 2021 Annual Report and the management of the company. The auditor will be available to answer questions about the audit of the Company's 2021 Annual Financial Statements.

Resolution 1: Adoption of Remuneration Report

Background

Section 250R(2) of the Corporations Act requires that a resolution to adopt the Remuneration Report must be put to the vote at the Annual General Meeting. The vote on this Resolution is advisory only and does not bind the Directors or the Company.

The Remuneration Report is set out in the Directors' Report in the Company's June 2021 Annual Report. The Remuneration Report sets out the Company's remuneration arrangements for the Directors and senior management of the Company.

In accordance with Section 250SA of the Corporations Act, Shareholders will be provided with a reasonable opportunity to ask questions concerning, or make comments on, the Remuneration Report at the Annual General Meeting.

The Directors will consider the outcome of the vote and comments made by Shareholders on the Remuneration Report at the Meeting when reviewing the Company's remuneration policies.

Board Recommendation

Noting that each Director has a personal interest in their own remuneration from the Company (as such interests are described in the Remuneration Report) and, as described in the voting exclusions on this resolution (set out in the Notice of Annual General Meeting) that each Director (or any Closely Related Party of a Director) is excluded from voting their shares on this Resolution, the Directors unanimously recommend that shareholders vote in favour of this Resolution to adopt the Remuneration Report.

Voting Exclusions

Refer to Note 5 for voting exclusions.

Resolution 2: Re-election of Mr. Michael Sandy as a Director of the Company

Background

The Constitution of the Company requires that at every Annual General Meeting, one-third or the next highest number nearest one-third of the Directors (excluding the Managing Director), shall retire from office and provides that such Directors are eligible for re-election at the meeting.

Mr. Michael Sandy

Mr Sandy is a geologist with 40 years' experience in the resources industry – mostly focused on oil and gas. Mr Sandy had a varied early career with roles in minerals exploration and research and a role with the PNG Government based in Port Moresby. In the early 1990s he was Technical Manager of Oil Search Limited also based in Port Moresby. Mr. Sandy was involved in establishing Novus Petroleum Ltd and preparing that company for its \$186m IPO in April 1995. Over 10 years, he held various senior management roles with Novus including manager of assets in Australia, Asia, the Middle East and the USA and as Business Development Manager was involved in numerous acquisitions and divestments. He co-managed the defence effort in 2004 when Novus was taken over by Medco Energi.

For the last 17 years, Mr Sandy has been the principal of energy consultancy company Sandy Associates P/L and was previously a director of Tap Oil Limited (ASX:TAP), Hot Rock Ltd (ASX:HRL), Caspian Oil and Gas (ASX:CIG) and Pan Pacific Petroleum (ASX:PPP).

Mr Sandy was appointed as a Non-Executive Director of Melbana on 30 July 2015.

Directors Recommendation

The Board (with Mr Sandy abstaining) recommends that shareholders vote in favour of the re-election of Mr Sandy. The Chairman of the meeting intends to vote undirected proxies in favour of Mr Sandy's re-election.

Voting Exclusions

There are no voting exclusions on this Resolution (See Note 5).

Resolution 3: Approval of grant of performance rights to Mr. Andrew Purcell (Executive Chairman)

Background

Mr Purcell was appointed Executive Chairman on 21 February 2020. On 1 April 2021, the Company entered into a new employment agreement with Andrew Purcell, in his role as Executive Chairman (**Employment Agreement**).

Under the Employment Agreement, the Company agreed to issue equity based remuneration (in the form of performance rights) to Mr Purcell, subject to specific performance milestones being met (Incentive Performance Rights).

This Resolution seeks Shareholder approval for the issue of the Incentive Performance Rights to Andrew Purcell (or his nominee).

Performance Rights

The number of Performance Rights to be issued is equivalent to \$150,000 per annum, to be issued once every 3 years equating to \$450,000 in value divided by the 20 consecutive trading day VWAP of the Performance Rights as at 1 April 2021. The 20 consecutive trading day VWAP of the Performance Rights as at 1 April 2021 were \$0.0144 for Tranche 1 and \$0.0139 for Tranche 2.

The 31,812,050 Performance Rights will be subject to the Vesting Conditions outlined below:

Performance Rights	Number	Vesting Conditions	Expiry Date
Tranche 1	15,906,025	200% increase in VWAP over any 20 consecutive trading day period within 18 months from issue date. Continued employment in the company at the vesting period.	2 years following completion of 18 months vesting period
Tranche 2	15,906,025	400% increase in VWAP over any 20 consecutive trading day period within 3 years from issue date. Continued employment in the company at the vesting period.	2 years following completion of 3 years vesting period

Once the applicable Vesting Conditions have been satisfied, the number of Performance Rights specified in the above table will vest.

The above Performance Rights will each convert into a Share for no consideration on exercise by the holder prior to the Expiry Date of the relevant Performance Shares once vested.

If a Vesting Condition of a Performance Right is not achieved by the applicable Milestone Date, then the Performance Right will lapse. If a vested Performance Right is not exercised on or before the Expiry Date, then the Performance Right will lapse.

Chapter 2E of the Corporations Act

Chapter 2E of the Corporations Act requires that for a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

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

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

The issue of the Incentive Performance Rights to Andrew Purcell (or his nominee) constitutes giving a financial benefit and Andrew Purcell is a related party of the Company by virtue of being a Director.

The Directors (other than Andrew Purcell) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the issue of Performance Rights, because the issue of Performance Rights constitutes reasonable remuneration payable to Andrew Purcell.

Listing Rule 10.11

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

- 10.11.1 a related party;
- 10.11.2 a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (30%+) holder in the company;
- 10.11.3 a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (10%+) holder in the company and who has nominated a director to the board of the company pursuant to a relevant agreement which gives them a right or expectation to do so;
- 10.11.4 an associate of a person referred to in Listing Rules 10.11.1 to 10.11.3; or
- 10.11.5 a person whose relationship with the company or a person referred to in Listing Rules 10.11.1 to 10.11.4 is such that, in ASX's opinion, the issue or agreement should be approved by its shareholders,

unless it obtains the approval of its shareholders.

The issue of the Incentive Performance Rights falls within Listing Rule 10.11.1 and does not fall within any of the exceptions in Listing Rule 10.12. It therefore requires the approval of Shareholders under Listing Rule 10.11.

This Resolution seeks the required Shareholder approval for the issue of the Incentive Performance Rights under and for the purposes of Listing Rule 10.11.

Technical information required by Listing Rule 14.1A

If this Resolution is passed, the Company will be able to proceed with the issue of the Incentive Performance Rights to Andrew Purcell under the Performance Rights Plan within three years after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the Listing Rules). As approval pursuant to Listing Rule 7.1 is not required for the issue of the Incentive Performance Rights (because approval is being obtained under Listing Rule 10.11), the issue of the Incentive Performance Rights will not use up any of the Company's 15% annual placement capacity.

If this Resolution is not passed, the Company will not be able to proceed with the issue of the Incentive Performance Rights to Andrew Purcell.

Technical information required by Listing Rule 10.13

Pursuant to and in accordance with the requirements of Listing Rule 10.13, the following information is provided in relation to this Resolution:

- a) the Incentive Performance Rights will be issued to Andrew Purcell (or his nominee), who falls within the category set out in Listing Rule 10.11.1, by virtue of Andrew Purcell being a Director;
- b) the maximum number of Incentive Performance Rights to be issued to Andrew Purcell (or his nominee) is 31,812,050.
- c) the terms and conditions of the Incentive Performance Rights are set out in Annexure 1;
- d) the Incentive Performance Rights 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 Listing Rules) and it is intended that issue of the Incentive Performance Rights will occur progressively;
- e) the issue price of the Incentive Performance Rights will be nil;
- f) The Company will not receive any other consideration in respect of the issue of the Incentive Performance Rights (other than in respect of funds received on exercise of the Incentive Performance Rights);
- g) the purpose of the issue of the Incentive Performance Rights is to provide a performance linked incentive component in the remuneration package for Andrew Purcell to motivate and reward his performance as a Director and to provide cost effective remuneration to Andrew Purcell, enabling the Company to spend a greater proportion of its cash reserves on its operations than it would if alternative cash forms of remuneration were given to Andrew Purcell;
- h) the current total fixed remuneration package for Andrew Purcell is \$360,000 per annum, (inclusive of superannuation);
- i) The value attributable to each of the Incentive Performance Rights as at 11 October 2021 is set out below;

Performance Right	Value per Performance Right
Tranche 1	\$0.0226
Tranche 2	\$0.0209

- j) as noted above, the Incentive Performance Rights are being issued to Andrew Purcell under the Employment Agreement dated 1st April 2021. Details of the material terms were released on the ASX platform on 1 April 2021 and are summarised below:

Commencement Date:	1 st April 2021
Position:	Executive Director
Fixed remuneration:	\$360,000 per annum (inclusive of statutory superannuation)
Short term cash incentive (STI):	up to 50% per annum of fixed remuneration subject to annual KPI
Long term incentive (LTI):	equivalent to \$150,000 per annum in the form of Performance Rights (the subject of approval under this resolution) to be issued once every 3 years equating to \$450,000 value to vest against both share price and performance conditions

Voting Exclusion

A voting exclusion statement is contained within the Notice (See Note 5).

Board Recommendation

The Board (with Mr Purcell abstaining) recommends that shareholders vote in favour of Resolution 3. The Chair will vote undirected proxies in favour of Resolution 3.

Resolution 4: Ratification of previous Option issue

Background

On the 30 July 2021, the Company announced a fully underwritten Non-Renounceable Entitlement Offer to raise approximately \$7,128,773 (before costs) via the issuance of two (2) fully paid ordinary shares in the capital of the Company (Share) for every thirteen (13) Shares held by eligible shareholders as at 10 August 2021 at an issue price of \$0.02 per Share together with one (1) free attaching option for every two (2) Shares subscribed for, exercisable at \$0.035 each on or before 12 months from the date of issue (**Option**) (**Entitlement Offer**).

The Entitlement Offer was fully underwritten by Canaccord Genuity (Australia) Limited (**Canaccord**) who is also acting as Lead Manager, and the Company agreed to issue:

- (i) 12,000,000 Options on 10th September 2021 to Canaccord Genuity (Australia) Limited as Underwriter; and
- (ii) 356,438,678 to Sub-underwriters

as fees for Underwriting and Sub-Underwriting services for the Entitlement Offer.

General

The 368,438,678 Options issued to the Underwriters and Sub-underwriters (**Underwriting Options**) were issued pursuant to the Company's capacity under Listing Rule 7.1.

If Shareholders approve this Resolution, the number of Equity Securities permitted to be issued under the 15% Placement Facility will be reset and determined in accordance with the formula prescribed in Listing Rule 7.1 (see below).

Listing Rule 7.1

In short, subject to a number of exceptions, Listing Rule 7.1 limits the amount of equity securities that a listed company can issue within any 12 month period without shareholder approval to 15% of the number of fully paid ordinary shares that the company has at the start of that 12 month period.

The issue of the Underwriting Options was allocated against the Company's 15% limit under in Listing Rule thereby reducing the Company's capacity to issue further equity securities without Shareholder approval under Listing Rule 7.1 for the 12 month period following the date of issue of the Underwriting Options.

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

The Company wishes to retain as much flexibility as possible to issue additional equity securities in the future without having to obtain Shareholder approval for such issues under Listing Rule 7.1. As a result, the Company is seeking Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the Underwriting Options.

Resolution 4 seeks Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the Underwriting Options.

Specific Information required under Listing Rule 14.1A

If Resolution 4 is passed, the Underwriting Options will be excluded in calculating the Company's 15% limit under Listing Rule 7.1, effectively increasing the number of equity securities the Company can issue without Shareholder approval over the 12 month period following the date of issue of the Underwriting Options.

If Resolution 4 is not passed, the Underwriting Options will be included in calculating the Company's 15% limit under Listing Rule 7.1, effectively decreasing the number of equity securities that the Company can issue without Shareholder approval over the 12 month period following the date of issue of the Underwriting Options.

Specific information required by Listing Rule 7.5

Pursuant to and in accordance with Listing Rule 7.5, information is provided in relation to Resolution 4:

- a) the Underwriting Options were issued to professional and sophisticated investors who are clients of Canaccord. The recipients were identified through a bookbuild process, which involved Canaccord seeking expressions of interest to participate in the sub-underwriting from non-related parties of the Company;
- b) in accordance with paragraph 7.4 of ASX Guidance Note 21, the Company confirms that none of the recipients were:
 - i) related parties of the Company, members of the Company's Key Management Personnel, and substantial holders of the Company, advisers of the Company or an associate of any of these parties; and
 - ii) issued more than 1% of the issued capital of the Company other than:
 - 1) Canaccord (Underwriter to the Company);
 - 2) CS Third Nominees Pty Limited <HSBC Cust Nom Au Ltd 13 A/C> (118,958,688 Sub-Underwriting Options); and
 - 3) Brick Lane Capital Management Limited (36,020,613 Sub-Underwriting Options)
- c) the 368,438,678 Underwriting Options were issued pursuant to Listing Rule 7.1 (ratification of which is sought under Resolution 4);
- d) the Underwriting Options issued were all issued on the same terms and conditions as the options issued under the terms of the Non-Renounceable Entitlements Issue Prospectus dated 4th August 2021 and are summarised below:

Exercise Price:	\$0.035 per Option
Issue Date:	10 September 2021
Expiry Date:	10 September 2022
Exercise Period:	The Options are exercisable at any time on or prior to the Expiry Date
Shares issued on exercise:	Shares issued on exercise of the Options rank equally with the then issued shares of the Company

- e) the Underwriting Options were issued at a nil issue price and formed part consideration of the fees for the Underwriting and Sub-underwriting agreement entered into as part of the Non-Renounceable Entitlements Offer, the material terms of which are summarised below;

Underwriter:	Canaccord Genuity (Australia) Limited
Capital Raising Fee:	6% of gross amount raised plus \$75,000
Underwriting Fee:	12,000,000 Options to the Underwriter (or its nominees) in consideration for services provided
Sub-underwriting commitment options:	356,438,678 Options to sub-underwriters in consideration for sub-underwriting the Offer

- f) See Note 5 for details on the Voting Exclusions.

Resolution 5: Confirmation of Change of Auditor

Background

In early 2021, the Company relocated its registered office from Melbourne to Sydney and for expediency, the Board resolved to change auditors. The Company sought and received approval for ASIC for Grant Thornton to resign as auditors and for MNSA Pty Ltd to be appointed as auditors. The change was announced on the ASX Platform on 16 August 2021.

Under section 327(c) of the Corporations Act 2001, the appointment of the new auditor requires ratification by Shareholders at a General Meeting.

Special Business

Resolution 6: Approval of 10% Additional Placement Capacity

Background

Listing Rule 7.1A enables eligible entities to issue Equity Securities up to 10% of its issued share capital through placements over a 12 month period after the Annual General Meeting (**10% Placement Facility**). The 10% Placement Facility is in addition to the Company's 15% placement capacity 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. The Company is an eligible entity.

The Company is now seeking shareholder approval by way of a special resolution to have the ability to issue Equity Securities under the 10% Placement Facility. The effect of Resolution 6 will be to allow the Directors to issue Equity Securities under Listing Rule 7.1A during the 10% Placement Period without using the Company's 15% placement capacity under Listing Rule 7.1.

If Shareholders approve Resolution 6, the number of Equity Securities permitted to be issued under the 10% Placement Facility will be determined in accordance with the formula prescribed in Listing Rule 7.1A.2 (see below).

Description of Listing Rule 7.1A

- a) Shareholder approval

The ability to issue Equity Securities under the 10% Placement Facility is subject to shareholder approval by way of a special resolution at an Annual General Meeting. This means it requires approval of 75% of the votes cast by shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate shareholder, by a corporate representative).

b) Equity Securities

Any Equity Securities issued under the 10% Placement Facility must be in the same class as an existing quoted class of Equity Securities of the Company. The Company, as at the date of the Notice, has on issue three classes of Equity Securities, Fully Paid Ordinary Shares, Unlisted Options and Performance Rights.

c) Formula for calculating 10% Placement Facility

Listing Rule 7.1A.2 provides that eligible entities which have obtained shareholder approval at an Annual General Meeting may issue or agree to issue, during the 12 month period after the date of the Annual General Meeting, a number of Equity Securities calculated in accordance with the following formula:

$$(A \times D) - E$$

Where:

- A** is the number of fully paid ordinary shares on issue at the commencement of the relevant period:
- plus the number of fully paid shares issued in the relevant period under an exception in Listing Rule 7.2 other than exception 9,16 or 17;
 - plus the number of fully paid ordinary securities issued in the relevant period on the conversion of convertible securities within rule 7.2 exception 9 where:
 - The convertible securities were issued or agreed to be issued before the commencement of the relevant period; or
 - The issue of, or agreement to issue, the convertible securities was approved, or taken under these rules to have been approved, under the rule 7.1 or rule 7.4,
 - plus the number of fully paid ordinary securities issued in the relevant period under and agreement to issue securities within rule 7.2 exception 16 where:
 - the agreement was entered into before the commencement of the relevant period; or
 - the agreement or issue was approved, or taken under these rules to have been approved, under rule 7.1 or rule 7.4,
 - plus the number of fully paid shares issued in the relevant period with approval under Listing Rules 7.1 or 7.4,
Note: This may include fully paid ordinary securities issued un the relevant period under an agreement to issue securities within rule 7.2 exception 17 where the issue is subsequently approved under rule 7.1
 - plus the number of partly paid ordinary securities that became fully paid in the relevant period,
 - less the number of fully paid 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 the approval of shareholders under Listing Rule 7.1 or 7.4.

d) Listing Rule 7.1 and Listing Rule 7.1A

The ability of an entity to issue Equity Securities under Listing Rule 7.1A is in addition to the entity's 15% placement capacity under Listing Rule 7.1. The actual number of Equity Securities that the Company will have capacity to issue under Listing Rule 7.1A will be calculated at the date of issue of the Equity Securities in accordance with the formula prescribed in Listing Rule 7.1A.2

e) Minimum Issue Price

The issue price of Equity Securities issued under Listing Rule 7.1A must be not less than 75% of the VWAP of Equity Securities in the same class calculated over the 15 trading days immediately before:

- a. the date on which the price at which the Equity Securities are to be issued is agreed; or
- b. if the Equity Securities are not issued within 10 trading days of the date in paragraph (i) above, the date on which the Equity Securities are issued.

f) 10% Placement Period

An approval of the 10% Placement Facility under ASX Listing Rule 7.1A commences on the date of the annual general meeting at which the approval is obtained and expires on the first to occur of the following:

- (i) the date that is 12 months after the date of the annual general meeting at which the approval is obtained;
- (ii) the time and date of the entity's next annual general meeting;
- (iii) the time and date of the approval by members of a transaction under ASX Listing Rules 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking)

(10% Placement Period).

Listing Rule 7.1A

The effect of Resolution 6 will be to allow the Directors to issue the Equity Securities under Listing Rule 7.1A during the 10% Placement Period without using the Company's 15% placement capacity under Listing Rule 7.1.

Resolution 6 is a special resolution and therefore requires approval of 75% of the votes cast by Shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative).

Specific information required by Listing Rule 7.3A

Pursuant to and in accordance with Listing Rule 7.3A, information is provided in relation to the approval of the 10% Placement Facility as follows:

- (a) 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:
 - (i) the date on which the price at which the Equity Securities are to be issued is agreed; or
 - (ii) if the Equity Securities are not issued within 10 trading days of the date in paragraph (i) above, the date on which the Equity Securities are issued.
- (b) If Resolution 6 is approved by Shareholders and the Company issues Equity Securities under the 10% Placement Facility, the existing Shareholders' voting power in the Company will be diluted as shown in the below table. Shareholders may be exposed to economic risk and voting dilution, including the following:
 - (i) the market price for the Company's Equity Securities may be significantly lower on the date of the issue of the Equity Securities than on the date of the Annual General Meeting; and
 - (ii) the Equity Securities may be issued at a price that is at a discount to the market price for the Company's Equity Securities on the issue date.

which may have an effect on the amount of funds raised by the issue of the Equity Securities.

The below table shows the dilution of existing Shareholders on the basis of the market price of Shares as at 12 October 2021 (**Current Share Price**) and the current number of ordinary securities

for variable "A" calculated in accordance with the formula in Listing Rule 7.1A(2) as at the date of this Notice.

The table also shows:

- two examples where variable "A" has increased, by 50% and 100%. Variable "A" is based on the number of ordinary securities the Company has on issue. The number of ordinary securities on issue may increase as a result of issues of ordinary securities that do not require Shareholder approval (for example, a pro rata entitlements issue or scrip issued under a takeover offer) or future specific placements under Listing Rule 7.1 that are approved at a future Shareholders' meeting; and
- two examples of where the issue price of ordinary securities has decreased by 50% and increased by 100% as against the current market price.

Variable 'A' in Listing Rule 7.1A.2		Issue Price		
		50% Decrease \$0.014	Current SP \$0.028	100% Increase \$0.056
Current Variable A 2,673,309,551 Shares	10% Voting Dilution	267,330,955 Shares		
	Funds raised	\$3,742,633	\$7,485,267	\$14,970,533
50% increase in current Variable A 4,009,964,327 Shares	10% Voting Dilution	400,996,433 Shares		
	Funds raised	\$5,613,950	\$11,227,900	\$22,455,800
100% increase in current Variable A 5,346,619,102 Shares	10% Voting Dilution	534,661,910 Shares		
	Funds raised	\$7,485,267	\$14,970,533	\$29,941,067

The table has been prepared on the following assumptions:

- The Company issues the maximum number of Equity Securities available under the 10% Placement Facility.
 - No Options (including any Options issued under the 10% Placement Facility) are exercised into Shares before the date of the issue of the Equity Securities.
 - The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.
 - The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement Facility, based on that Shareholder's holding at the date of the Annual General Meeting.
 - The table shows only the effect of issues of Equity Securities under Listing Rule 7.1A, not under the 15% placement capacity under Listing Rule 7.1.
 - The issue of Equity Securities under the 10% Placement Facility consists only of Shares. If the issue of Equity Securities includes Options, it is assumed that those Options are exercised into Shares for the purpose of calculating the voting dilution effect on existing Shareholders.
 - The Current Share Price is \$0.028 (2.8 cents), being the closing price of the Shares on ASX on 12 October 2021.
- (c) The Company will only issue and allot the Equity Securities during the 10% Placement Period. The approval under Resolution 6 for the issue of the Equity Securities 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).

- (d) As at the date of this Notice, the Company has not formed an intention to issue any Equity Securities under ASX Listing Rules 7.1A to any particular person at any particular time.

The Company may seek to issue the Equity Securities for the some or all of the following purposes:

- (i) to use the funds raised towards an acquisition of new assets or investments (including expenses associated with such acquisition);
 - (ii) continued expenditure on the Company's current assets including exploration; and/or
 - (iii) general working capital.
- (e) The Company has not issued or agreed to issue any Equity Securities under rule 7.1A.2 in the 12 months preceding the date of the meeting.
- (f) The Company will comply with the disclosure obligations under Listing Rules 7.1A(4) upon issue of any Equity Securities.

The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue pursuant to the 10% Placement Facility. The identity of the allottees of Equity Securities will be determined on a case-by-case basis having regard to the factors including but not limited to the following:

- i) the methods of raising funds that are available to the Company, including but not limited to, rights issue or other issue in which existing security holders can participate;
- ii) the effect of the issue of the Equity Securities on the control of the Company;
- iii) the financial situation and solvency of the Company; and
- iv) advice from corporate, financial and broking advisers (if applicable).

The allottees under the 10% Placement Facility have not been determined as at the date of this Notice but may include existing substantial Shareholders and/or new Shareholders who are not related parties or associates of a related party of the Company.

Further, if the Company is successful in acquiring new investments, it is possible that the allottees under the 10% Placement Facility may be the vendors of the new investments.

- (g) A voting exclusion statement is included in the Notice. At the date of this Notice, the Company has not approached any particular existing Shareholder or security holder or an identifiable class of existing security holder to participate in the issue of the Equity Securities. No existing Shareholder's votes will therefore be excluded under the voting exclusion in this Notice.

Directors Recommendations

The Directors of the Company believe that Resolution 6 is in the best interests of the Company and unanimously recommend that Shareholders vote in favour of this Resolution.

Voting Exclusions

For voting exclusions refer to Note 5.

Glossary

The following terms have the following meanings in this Explanatory Statement:

\$	means Australian Dollars;
Annual Report	means the Directors' Report, the Financial Report, and Auditor's Report, in respect to the year ended 30 June 2021;
ASX	means ASX Limited ABN 98 008 624 691 or the Australian Securities Exchange, as the context requires;
ASX Settlement Operating Rules	means the rules of ASX Settlement Pty Ltd which apply while the Company is an issuer of CHESSE approved securities;
Auditor's Report	means the auditor's report on the Financial Report; "AEDT" means Australian Eastern Daylight Standard Time;
Board	means the Directors acting as the board of Directors of the Company or a committee appointed by such board of Directors;
Chairman	means the person appointed to chair the Meeting of the Company convened by the Notice;
CHESSE	has the meaning in Section 2 of the ASX Settlement Operating Rules;
Closely Related Party	means: a spouse or child of the member; or has the meaning given in section 9 of the Corporations Act;
Company	means Melbana Energy Limited ACN 066 447 952;
Constitution	means the constitution of the Company as at the date of the Meeting;
Corporations Act	means the Corporations Act 2001 (Cth);
Director	means a Director of the Company;
Directors Report	means the annual directors' report prepared under Chapter 2M of the Corporations Act for the Company and its controlled entities;
Equity Security	has the same meaning as in the Listing Rules;
Explanatory Memorandum	means the explanatory memorandum which forms part of the Notice;
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	means persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any Director (whether executive or otherwise) of the Company;
Listing Rules	means the Listing Rules of the ASX; "LTIP" means Long Term Incentive Plan;
Meeting	has the meaning given in the introductory paragraph of the Notice; "Notice" means this Notice of Meeting including the Explanatory Statement; "Proxy Form" means the proxy form attached to the Notice;
Remuneration Report	means the remuneration report which forms part of the Directors' Report of the Company for the financial year ended 30 June 2021 and which is set out in the 2021 Annual Report.
Resolution	means a resolution referred to in the Notice; "Section" means a section of the Explanatory Memorandum;
Share	means a fully paid ordinary share in the capital of the Company;
Shareholder	means shareholder of the Company;
Trading Day	means a day determined by ASX to be a trading day in accordance with the Listing Rules;
VWAP	means volume weighted average price.

Annexure 1: Terms of Performance Rights

The following table details the key terms of the Long Term Incentive Performance Rights (LTI or Performance Rights) that will be issued to Mr Purcell if Resolution 4 is passed.

The Company will issue Mr. Purcell:

1. LTI worth \$150,000 per year in the form of Performance Rights, subject to shareholder approval
2. The LTI will issue once every three years equating to a total value of \$450,000
3. The number of Performance Rights issued totalled 31,812,050 and was calculated as \$450,000/VWAP of Performance Rights as at 1 April 2021
4. The Performance Rights are subject to independent valuation
5. The LTI will be split into 2 equal tranches with vesting criteria being of share price performance compared to the greater of the VWAP at 1 April 2021:
 - a. Tranche 1 – 200% increase in VWAP for any 20-day trading period within 18 months
 - b. Tranche 2 – 400% increase in VWAP for any 20-day trading period within 3 years
6. The Performance Rights only vest if the Employee is still employed by the Employer at the end of the vesting period (**Tenure Criteria**).
7. If the Employee leaves the Executive Chairman role prior to the end of the vesting period, the board will have discretion to vest Performance Rights subject to the good leaver / bad leaver provisions under the Long Term Incentive Plan.
8. The final exercise date for the LTI is 2 years after the Vesting Date.
9. The Tenure Criteria to be waived in the event of a change of control and the Board to exercise its discretion on waiving the share price performance criteria for some or all of the Performance Rights depending on circumstances.


LODGE YOUR VOTE

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

 **BY MAIL**
Melbana Energy 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
Level 12, 680 George Street, Sydney NSW 2000

 **ALL ENQUIRIES TO**
Telephone: +61 1300 554 474



X99999999999

PROXY FORM

I/We being a member(s) of Melbana Energy 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 and email of the person or body corporate you are appointing as your proxy. An email will be sent to your appointed proxy with details on how to access the virtual meeting.

Name

Email

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 **10:30am (AEDT) on Friday, 26 November 2021** (the **Meeting**) and at any postponement or adjournment of the Meeting.

The meeting will be conducted as a virtual meeting and you can participate by logging in online at <https://meetings.linkgroup.com/MAY21> (refer to details in the Virtual General Meeting Online Guide and Notice of 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.

STEP 1


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 .

Resolutions

	For	Against	Abstain*		For	Against	Abstain*
1 Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	5 Confirmation of Change of Auditor	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Re-election of Mr Michael Sandy as a Director of the Company	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	6 Approval of 10% Additional Placement Capacity	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 Approval of issue of Performance Rights to Andrew Purcell (Executive Chairman)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
4 Ratification of previous Option Issue	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				

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

STEP 2

SIGNATURE OF SHAREHOLDERS – THIS MUST BE COMPLETED

Shareholder 1 (Individual)

Joint Shareholder 2 (Individual)

Joint Shareholder 3 (Individual)

Sole Director and Sole Company Secretary

Director/Company Secretary (Delete one)

Director

This form should be signed by the shareholder. If a joint holding, either shareholder may sign. If signed by the shareholder's attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the company's constitution and the *Corporations Act 2001* (Cth).

STEP 3

MAY PRX2101N



HOW TO COMPLETE THIS SHAREHOLDER PROXY FORM

YOUR NAME AND ADDRESS

This is your name and address as it appears on the Company's share register. If this information is incorrect, please make the correction on the form. Shareholders sponsored by a broker should advise their broker of any changes. **Please note: you cannot change ownership of your shares 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 shareholder 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 Resolutions are 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 shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the items of business, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

APPOINTMENT OF 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 share registry or you may copy this form and return them both together.

To appoint a second proxy you must:

- (a) on each of the first Proxy Form and the second Proxy Form state the percentage of your voting rights or number of shares 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
- (b) 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, either shareholder may 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 Virtually the appropriate "Certificate of Appointment of Corporate Representative" must be received at registrars@linkmarketservices.com.au prior to admission in accordance with the Notice of Annual General Meeting. A form of the certificate may be obtained from the Company's share 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 **10:30am (AEDT) on Wednesday, 24 November 2021**, 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, shareholders will need their "Holder Identifier" - Securityholder Reference Number (SRN) or Holder Identification Number (HIN).



BY MOBILE DEVICE

Our voting website is designed specifically for voting online. You can now lodge your proxy by scanning the QR code adjacent or enter the voting link www.linkmarketservices.com.au into your mobile device. Log in using the Holder Identifier and postcode for your shareholding.

QR Code



To scan the code you will need a QR code reader application which can be downloaded for free on your mobile device.



BY MAIL

Melbana Energy 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*
Level 12
680 George Street
Sydney NSW 2000

*during business hours Monday to Friday (9:00am - 5:00pm) and subject to public health orders and restrictions