



IPB Petroleum Limited

ABN 52 137 387 350

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the 2015 Annual General Meeting of IPB Petroleum Limited (the **Company** or **IPB**) will be held at 10:00am on Tuesday 17 November 2015 at the offices of Baker & McKenzie, Level 19, 181 William Street, Melbourne, Victoria, Australia.

ORDINARY BUSINESS

Annual Financial Report

To receive and consider the Financial Report of the Company and the related reports of the Directors and Auditor in respect of the financial year ended 30 June 2015.

Resolution 1 Adoption of Remuneration Report

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

“That the Remuneration Report of the Company for the year ended 30 June 2015, as set out in the Directors’ Report of the Annual Report, be adopted.”

Resolution 2 Re-election of Director - Mr Geoffrey King

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

“That Mr Geoffrey King, who being eligible, offers himself for election be re-elected as a director.”

SPECIAL BUSINESS

Resolution 3 Approval of Additional 10% Placement Capacity.

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

“That, for the purposes of ASX Listing Rule 7.1A and for all other purposes, Shareholders approve the issue of Securities up to 10% of the issued capital of the Company (at the time of the issue) calculated in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 and on the terms and conditions described in the Explanatory Memorandum accompanying this Notice of Meeting.”

NOTES TO NOTICE OF ANNUAL GENERAL MEETING

These Notes form part of the Notice of Meeting.

Right to Vote

The Directors have determined that, for the purpose of voting at the meeting, members are those persons who are the registered holders of shares at 10.00am (Melbourne Time) on 15 November 2015.

Each member entitled to attend and vote at the meeting may vote by:

- (a) attending the meeting in person; or
- (b) appointing a proxy to attend and vote at the meeting on their behalf.

Voting Exclusions

The Corporation Act 2001 (Cth) (Corporations Act) requires that certain persons must not vote, and the Company must disregard any votes cast by certain persons, on two of the resolutions to be considered at the meeting. These voting exclusions are as follows:

Resolution 1 – Adoption of Remuneration Report

The Company will disregard any votes cast by a Director or other Key Management Personnel of the Company and any closely related party of such a Director or other Key Management Personnel. Closely related party is defined in the Corporations Act and includes a spouse, dependent and certain other close family members, as well as any companies controlled by the Key Management Personnel.

However, a Director or Key Management Personnel may cast a vote on Resolution 1 if:

- (a) the person is acting as proxy for a person who is entitled to vote and the proxy form specifies how the proxy is to vote; or
- (b) the person is the Chairman voting an undirected proxy which expressly authorises the Chairman to vote the proxy on a resolution connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

Resolution 3 – Approval of Additional 10% Placement Capacity

The Company will disregard any votes cast by any person who may participate in an issue of securities that are issued pursuant to an approval granted by this resolution and any person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if this resolution is passed, and any associate of such a person.

The Company need not disregard votes of the above parties for Resolution 3 if:

- (a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or
- (b) 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.

Appointment of Proxies

A Proxy Form accompanies this Notice of Annual General Meeting. A shareholder who is entitled to attend and vote at the meeting is entitled to appoint no more than two proxies to attend and vote in their place. A proxy may be either an individual or a corporation, and need not be a shareholder of the Company.

A single proxy exercises all voting rights. Where a shareholder wishes to appoint two proxies, an additional proxy form may be obtained by contacting the Company's Share Registry, or the shareholder may copy the enclosed Proxy Form. A shareholder appointing two proxies may specify the proportion or number of votes each proxy is appointed to exercise. If a shareholder appoints two proxies and does not specify each proxy's voting rights, the rights are deemed to be 50% each. Fractions of votes are to be disregarded. Where two proxies are appointed, neither may vote on a show of hands.

A proxy need not vote in that capacity on a show of hands on any resolution nor (unless the proxy is the Chairman of the Meeting) on a poll. However, if the proxy's appointment specifies the way to vote on a resolution, and the proxy decides to vote in that capacity on that resolution, the proxy must vote the way specified (subject to the other provisions of these Notes, including the voting exclusions noted above). If a proxy does not attend the meeting, then the Chairman of the Meeting will be taken to have been appointed as the proxy of the relevant shareholder in respect of the meeting.

If the Chairman of the Meeting is appointed, or taken to be appointed, as a proxy, but the appointment does not specify the way to vote on a resolution, then the Chairman intends to exercise the relevant shareholder's votes in favour of the relevant resolution (subject to the other provisions of these Notes, including the voting exclusions noted above).

Direction to Chairman for Remuneration Report (Item 1)

If the Chairman of the Meeting is appointed, or taken to be appointed, as a proxy, a shareholder can direct the Chairman of the Meeting to vote for or against, or to abstain from voting on Resolution 1 (Adoption of Remuneration Report) by marking the appropriate box opposite Resolution 1 in the Proxy Form. However, if the Chairman of the Meeting is a proxy and the relevant shareholder does not mark any of the boxes opposite item 1, the relevant shareholder will be directing and expressly authorising the Chairman to vote in favour of Resolution 1 even though item 1 is connected directly or indirectly with the remuneration of a Key Management Personnel.

Lodging Proxy Forms

For an appointment of a proxy to be effective, the proxy's appointment (and, if the appointment is signed by an attorney, the authority under which it was signed or a certified copy of the authority) must be received by Company's share registry by 10:00am on 15 November 2015.

Proxy Forms and corporate appointment of representative forms may be lodged by posting, delivery or facsimile to the Company's share registry as follows:

(a) by delivery (by hand, mail, or facsimile) to IPB Petroleum Limited share registry:

Link Market Services Limited
1A Homebush Bay Drive
Rhodes NSW 2138
Australia
Facsimile: 61+2 9287 0309

(b) by delivery (by hand, mail, or facsimile) to the IPB Petroleum Limited share registry:

Link Market Services Limited
Level 12
680 George Street
Sydney NSW 2000
Australia
Facsimile: 61+2 9287 0309

Corporate shareholders

A Shareholder which is a body corporate and which is entitled to attend and vote at the Meeting, or a proxy which is a body corporate and which is appointed by a Shareholder entitled to attend and vote at the Meeting, may appoint a person to act as its representative in accordance with section 250D of the Corporations Act. The representative must present satisfactory evidence that they are authorised to act as the company's representative prior to admission to the Meeting. The authorisation may be effective either for this Meeting only or for all meetings of the Company.

Registration

If you are attending the Meeting, please bring your personalised Proxy Form with you. If you do not bring your form with you, you will still be able to attend the Meeting, but on registration, representatives from the Company's share registry will need to verify your identity.

Questions from Shareholders

There are two ways to ask the Directors or the Auditor a question:

1. In Writing

By post, facsimile or email to the Company Secretary, IPB Petroleum Limited at:
23 Small Street
Hampton VIC 3188
Australia
Facsimile: 61+ 3 9598 0199
Email: info@ipbp.com.au

2. Attend the meeting

Questions to the Company should relate to matters that are relevant to the Meeting, including matters arising from the 2015 Annual Report and general questions regarding the Company's management or performance. Written questions to the Auditor should relate to the conduct of the audit or the content of the Auditor's Report.

Please note that written questions to the Company should be received no later than 10:00 am (Melbourne time) on Friday, 13 November 2015. Questions to the Auditor should be received no later than five (5) business days before the Meeting, being Tuesday, 10 November 2015.

The Company is required by law to forward all questions to the Auditor, from which the Auditor is required to prepare a list of those questions that are considered to be relevant to the conduct of the audit or the content of the Auditor's Report. The Auditor may omit questions that are the same in substance to other questions. The list of questions prepared by the Auditor will be available on the Company's website, www.ipbpet.com.au prior to the Meeting. In addition, copies of the list of questions will be available at the Meeting.

The Chairman of the Meeting will answer as many of the frequently asked questions submitted to the Company as possible at the Meeting.

Explanatory Memorandum

The accompanying Explanatory Memorandum forms part of this Notice of Annual General Meeting and should be read in conjunction with it. A Glossary of terms used in this Notice of Annual General Meeting and Explanatory Memorandum is contained in the Explanatory Memorandum.

By order of the Board

Martin Warwick
Company Secretary
16 October 2015

EXPLANATORY MEMORANDUM

This Explanatory Memorandum (which is included in, and forms part of, the Notice of Annual General Meeting) is provided to Shareholders to explain the Resolutions to be put to Shareholders at the Annual General Meeting and to assist Shareholders to determine how they wish to vote on the Resolutions.

The 2015 Annual General Meeting of IPB Petroleum Limited will be held at 10:00a.m. on Tuesday, 17 November 2015 at the offices of Baker & McKenzie, Level 19, 181 William Street, Melbourne, Victoria, Australia.

Annual Financial Report

The full year results for the Company are available in the 2015 Annual Report sent to those Shareholders who elected to receive the annual report or online at www.ipbpet.com.au. Any relevant announcements made by the Company after the date of the 2015 Annual Report will be available on the Company's website at www.ipbpet.com.au.

The Corporations Act and the Company's Constitution require the following reports in respect of the financial year of the Company ended on 30 June 2015 to be presented to the Meeting:

- the Financial Report (which includes the Financial Statements and Directors' declaration);
- the Directors' Report (which includes the Remuneration Report); and
- the Auditor's Report.

Except for the non-binding advisory resolution in respect of the Remuneration Report (refer to Resolution 1 below), there is no requirement in the Corporations Act or the Constitution for Shareholders to approve the Financial Report, the Directors' Report or the Auditor's Report.

In accordance with the Corporations Act, Shareholders will be given a reasonable opportunity at the Meeting to ask questions about or make comments on the management or performance of the Company.

The Auditor of the Company is required to attend the Meeting and will be available to take Shareholder's questions relevant to the conduct of the audit, the preparation and content of the Auditor's Report, the accounting policies adopted by the Company in relation to the preparation of the 2015 financial statements of the Company and the independence of the Auditor in relation to the conduct of the audit. The Auditor will also be allowed a reasonable opportunity to answer written questions submitted in accordance with the process described previously.

1. Adoption of Remuneration Report (Resolution 1)

The Remuneration Report of the Company for the financial year ended 30 June 2015 is set out in the Directors' Report (included in the 2015 Annual Report) (Remuneration Report).

Shareholders are asked to adopt the Remuneration Report. The shareholder vote is advisory only and does not bind the Directors of the Company. However, pursuant to amendments to the Corporations Act which took effect from 1 July 2011, if the resolution to adopt the Remuneration Report receives a “no” vote of at least 25% of the votes cast at two consecutive Annual General Meetings, a resolution must then be put to Shareholders at the second AGM as to whether another general meeting of the Company should be held within 90 days at which all Directors (other than the Managing Director), who were in office at the time the Board approved the second Remuneration Report, would need to stand for re-election.

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 above, that each Director (or any closely related party of a Director) is excluded from voting their shares on this resolution, the Directors recommend that Shareholders vote in favour of the resolution to adopt the Remuneration Report.

2. Re-election of Director – Mr. Geoffrey King (Resolution 2)

Mr King was appointed as a Non-Executive Director of the Company in February 2013 and is a member of the Audit Committee. He has over 30 years' experience within the oil and gas industry, having commenced his career with Esso Australia Limited. Mr King then joined BHP Petroleum Limited (now BHP Billiton Limited) where he held a number of management positions and was directly involved in oil and gas discoveries at Macedon, Pyrenees, Montara, Argus and Gwydion. He was the Vice President of Exploration Australia/Asia for 4 years with BHP Billiton Limited and has experience in offshore basins around Australia. With his wealth of knowledge in the Australian market, Mr King also has experience in the oil and gas sector in the United States and South East Asia. He brings a particular insight into the area of exploration in the Browse Basin.

Recommendation:

The Directors, other than Mr King, recommend that Shareholders vote in favour of the resolution to re-elect Mr King as a Director of the Company.

3. Approval of Additional 10% Placement Capacity (Resolution 3)

ASX Listing Rule 7.1A provides that an Eligible Entity may seek Shareholder approval at its annual general meeting to allow it to issue Equity Securities up to 10% of its issued capital over a period up to 12 months after the Annual General Meeting (10% Placement Capacity).

The Company is an Eligible Entity, being a listed company that is not included in the S&P/ASX 300 Index and having a market capitalisation of less than \$300 million.

If Shareholders approve Resolution 3, the number of Equity Securities the Eligible Entity may issue under the 10% Placement Capacity will be determined in accordance with the formula prescribed in ASX Listing Rule 7.1A.2.

The effect of Resolution 3 will be to allow the Company to issue Equity Securities up to 10% of the Company's fully paid ordinary securities on issue under the 10% Placement Capacity during the

period up to 12 months after the Meeting, without subsequent Shareholder approval and without using the Company's 15% annual placement capacity available under Listing Rule 7.1.

Resolution 3 is a special resolution. Accordingly, at least 75% of votes cast by Shareholders present and eligible to vote at the Meeting must be in favour of Resolution 3 for it to be passed.

Determination of the additional capacity to issue Securities if Resolution 3 is approved.

ASX 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:

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

A is the number of shares on issue 12 months before the date of issue or agreement:

- plus the number of fully paid shares issued in the 12 months under an exception in ASX Listing Rule 7.2;
- plus the number of partly paid shares that became fully paid in the 12 months;
- plus the number of fully paid shares issued in the 12 months with approval of holders of shares under ASX Listing Rule 7.1 and 7.4. This does not include an issue of fully paid shares under the entity's 15% placement capacity without shareholder approval;
- less the number of fully paid shares cancelled in the 12 months.

(Note that A has the same meaning in ASX Listing Rule 7.1 when calculating an entity's 15% placement capacity).

D is 10%

E is the number of equity securities issued or agreed to be issued under ASX 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 ASX Listing Rule 7.1 or 7.4.

In the 12 months before the date of this Notice of Meeting the Company had on issue 109,942,211 Shares and as at 5 October 2015 had a capacity to issue:

- 16,491,332 equity securities under ASX Listing Rule 7.1 (15% of A); and
- Subject to Shareholder approval being sought under Resolution 3, 10,994,221 equity securities under ASX Listing Rule 7.1A (10% of A).

The actual number of equity securities that the Company will have capacity to issue under ASX Listing Rule 7.1A will be calculated at the date of issue of the equity securities in accordance with the formula prescribed in ASX Listing Rule 7.1A.2

Notice requirements for approval under rule 7.1A

1. **Minimum price.** The Company will only issue equity securities for which the aggregate issue price of the equity securities is 75% or more of the volume weighted average price (VWAP) of equity securities in the same class calculated over the 15 trading days immediately before the date on which the issue price of the equity securities is agreed, or the issue date (if the equity securities are not issued within five (5) trading days of the date on which the issue price is agreed).

2. **Risk of economic and voting dilution.** Shareholder approval of Resolution 3 and any subsequent issue of Shares pursuant to ASX Listing Rule 7.1A.2 may result in the economic and voting dilution of existing Shareholders. There is a risk that:
 - 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 approval at the Meeting under rule 7.1A; and
 - the equity securities may be issued at a price that is at a discount to the market price for Company's equity securities on the issue date.

The impact upon the funds raised and existing shareholder dilution under alternative scenarios of share price and increases in Variable A from the level as at 5 October 2015 is shown in the table below. The table provides a matrix showing the number of Shares issued for a 10% dilution and the funds raised assuming Variable A is as at the 5 October 2015 level, 50% higher and 100% higher and assuming the placement Share price is at the Current Price of 1.3¢ (Share price as at 5 October 2015), half the Current Price at 0.65¢ and double the Current Price at 2.6¢.

Variable A in LR 7.1A.2	Share Price (as at 5 October 2015)	Dilution		
		\$0.013/2- =\$0.0065 Half Share Price	\$0.013 Share Price	\$0.013*2=\$0.026 Double Share Price
Current	10% Voting Dilution	10,994,221	10,994,221	10,994,221
Variable A	Funds Raised	\$71,462	\$142,925	\$285,850
50% Increase in Variable A	10% Voting Dilution	16,491,332	16,491,332	16,491,332
	Funds Raised	\$107,194	\$214,387	\$428,775
100% Increase in	10% Voting Dilution	21,988,442	21,988,442	21,988,442
Variable A	Funds Raised	\$142,925	\$285,850	\$571,699

The table has been prepared on the following assumptions:

- a) The Company issues the maximum number of equity securities available if the additional 10% placement capacity is permitted by shareholders approving Resolution 3.
- b) No Options are issued and exercised into Shares before the date of the issue of the equity securities;
- c) 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%.
- d) The table shows only the effect of issues of Securities under ASX Listing Rule 7.1A, not under the 15% placement capacity under ASX Listing Rule 7.1.
- e) The issue of equity securities under the 10% Placement Facility consists only of Shares. If the issue of equity securities includes Options or other convertible securities, it is assumed that those Options or other convertible securities are exercised into Shares for the purpose of calculating the voting dilution effect on existing Shareholders;

Additional notice requirements for approval under rule 7.3A.6

1.

- (a) The total number of equity securities issued in the 12 months preceding the date of this Notice of Meeting was 3,726,375 which represents 3.39% of the total number of equity securities of 109,942,211 on issue on the commencement of that 12 month period.
- (b) The details of the equity issue referred to in 1(a) above are as follows:-
 - The number of equity securities issued was 3,726,375
 - The class of equity securities issued was ordinary shares being any shares that are not preferred shares and do not have any predetermined dividend amounts. An ordinary share represents equity ownership in a company and entitles the owner to a vote in matters put before shareholders in proportion to their percentage ownership in the company.
 - The class of investor the share issue was determined was institutional or sophisticated retail investors.
 - The price the equity securities were issued was \$0.32 per share which represented a discount of \$0.03 per share on the market price of the closing date of issue.
 - The total cash consideration received was \$1,192,440 less brokerage fees of \$59,622 which resulted in a net cash consideration of \$1,132,818. Funds raised were applied over the twelve months toward:
 - Continuing IPB's study work in its three (3) Exploration Permits in the Browse Basin, offshore North West Australia ;
 - Pursuing New Ventures and Farmout activities ; and for
 - General working capital purposesThe intended use of the remainder of the funds is for general working capital purposes.

GLOSSARY

In this Notice and Explanatory Memorandum:

\$ or A\$ means Australian dollars (AUD);

AGM means an Annual General Meeting;

Annual General Meeting or **Meeting** mean the annual general meeting of the Company to be held at 10:00am on Tuesday 17 November 2015;

ASX means ASX Limited ACN 008 624 691 or the securities exchange operated by it (as the case requires);

ASX Listing Rules means the listing rules of the ASX;

Auditor means Pitcher Partners;

Board means the Board of Directors of the Company;

Constitution means the constitution of the Company;

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

Directors mean the Directors of the Company;

Explanatory Memorandum means the Explanatory Memorandum which accompanies, and is incorporated as part of, the Notice of Meeting;

IPB Petroleum, IPB or **Company** means IPB Petroleum Limited ACN 137 387 350;

Key Management Personnel means key management personnel as defined by Section 9 of the Corporations Act;

Notice, Notice of Meeting, or Notice of Annual General Meeting means the attached Notice of Meeting;

Options means options to acquire Shares;

Proxy Form means the proxy form which accompanies this Notice;

Resolution means the resolution to be put to shareholders at the Meeting, as set out in the Notice of Annual General Meeting;

Securities means Shares, Options, securities convertible into Share or rights to Shares or Options that maybe granted by the Company;

Shareholder means the registered holder of Shares; and

Shares means fully paid ordinary shares in the capital of the Company.

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