



ABN 62 111 823 762

NOTICE OF ANNUAL GENERAL MEETING

TIME: 11:00 am WST

DATE: 31 May 2018

PLACE: London House,
Level 3, 216 St Georges Terrace,
Perth, Western Australia

This Notice of Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered Shareholders at 5:00pm WST on 29 May 2018.

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on (+ 61 8) 6188 8181.

BUSINESS OF THE ANNUAL GENERAL MEETING

AGENDA

1. FINANCIAL STATEMENTS AND REPORTS

To receive and consider the financial report of the Company for the year ended 31 December 2017 together with the declaration of the directors, the directors' report, the Remuneration Report and the auditor's report.

2. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

To consider and, if thought fit, to pass, with or without amendment, the following resolution as a **non-binding resolution**:

"That, for the purpose of Section 250R(2) of the Corporations Act and for all other purposes, approval is given for the adoption of the remuneration report as contained in the Company's annual financial report for the financial year ended 31 December 2017."

Note: the vote on this Resolution is advisory only and does not bind the Directors or the Company.

Voting Prohibition Statement:

A vote on this Resolution must not be cast (in any capacity) by or on behalf of either of the following persons:

- (a) a member of the Key Management Personnel, details of whose remuneration are included in the Remuneration Report; or
- (b) a Closely Related Party of such a member.

However, a person (the **voter**) described above may cast a vote on this Resolution as a proxy if the vote is not cast on behalf of a person described above and either:

- (a) the voter is appointed as a proxy by writing that specifies the way the proxy is to vote on this Resolution; or
- (b) the voter is the Chair and the appointment of the Chair as proxy:
 - (i) does not specify the way the proxy is to vote on this Resolution; and
 - (ii) expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

3. RESOLUTION 2 – RE-ELECTION OF DIRECTOR – MR RANKO MATIC

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

"That, for the purpose of clause 13.2 of the Constitution, ASX Listing Rule 14.5 and for all other purposes, Mr Ranko Matic, a Director who was appointed on 12 February 2016, retires, and being eligible, is re-elected as a Director."

4. RESOLUTION 3 – APPROVAL OF 10% PLACEMENT CAPACITY

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

"That, for the purposes of Listing Rule 7.1A and for all other purposes, approval is given for the Company to issue up to that number of Equity Securities equal to 10% of the issued capital of the Company at the time of issue, calculated in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 and otherwise on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution 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, the Company will not disregard a vote if it is cast by a person as a proxy for a person who is entitled

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

5. RESOLUTION 4 – APPROVAL TO MAKE SELECTIVE REDUCTION OF CAPITAL – PARTLY PAID SHARES

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

"That, subject to the approval of the Partly Paid Shareholders at the Partly Paid Shareholders' Special General Meeting, for the purposes of section 256C(2) of the Corporations Act and for all other purposes, approval is given for the Company to make a selective reduction of capital by cancelling all Partly Paid Shares on issue in the Company."

Note: In accordance with section 256C(2) of the Corporations Act, any votes cast on Resolution 4 (other than by a person as proxy for a member who is entitled to vote, in accordance with the directions on the relevant Proxy Form) by any person who is to receive consideration as part of the reduction and their respective associates will be disregarded.

6. RESOLUTION 5 – APPROVAL TO MAKE SELECTIVE REDUCTION OF CAPITAL – PREFERENCE SHARES

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

"That, subject to the approval of the Preference Shareholders at the Preference Shareholder's Special General Meeting, in accordance with section 256C(2) of the Corporations Act and for all other purposes, approval is given for the Company to make a selective reduction of capital by cancelling a total of nine (9) Preference Shares held by the Preference Shareholders."

Note: In accordance with section 256C(2) of the Corporations Act, any votes cast on Resolution 5 (other than by a person as proxy for a member who is entitled to vote, in accordance with the directions on the relevant Proxy Form) by any person who is to receive consideration as part of the reduction and their respective associates will be disregarded.

7. RESOLUTION 6 – CHANGE OF COMPANY STATUS – NL TO LTD

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

"That, subject to the passing of Resolutions 4, 7 and 8, for the purposes of section 162 of the Corporations Act and for all other purposes, approval is given to change the status of the Company from a no liability company to a public company limited by shares resulting in the Company's name being altered from Antilles Oil & Gas NL to Antilles Oil & Gas Limited."

8. RESOLUTION 7 – CHANGE OF COMPANY NAME

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

"That, subject to the passing of Resolutions 4, 6 and 8, for the purposes of section 157(1)(a) and for all other purposes, approval is given for the name of the Company to be changed to "Antilles Oil & Gas Limited."

9. RESOLUTION 8 – REPLACEMENT OF CONSTITUTION

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

"That, subject to the passing of Resolutions 4, 6 and 7, for the purposes of section 136(2) of the Corporations Act and for all other purposes, approval is given for the Company to repeal its existing Constitution and adopt a new constitution in its place in the form as signed by the chairman of the Meeting for identification purposes."

DATED: 27 APRIL 2018

BY ORDER OF THE BOARD

**MS MELANIE ROSS
COMPANY SECRETARY**

Voting in person

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

Voting by proxy

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

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

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

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

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

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on (+ 61 8) 6188 8181.

EXPLANATORY STATEMENT

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

1. FINANCIAL STATEMENTS AND REPORTS

In accordance with the Constitution, the business of the Meeting will include receipt and consideration of the annual financial report of the Company for the financial year ended 31 December 2017 together with the declaration of the directors, the directors' report, the Remuneration Report and the auditor's report.

The Company will not provide a hard copy of the Company's annual financial report to Shareholders unless specifically requested to do so. The Company's annual financial report is available on its website at www.antillesoilandgas.com.au.

2. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

2.1 General

The Corporations Act requires that at a listed company's annual general meeting, a resolution that the remuneration report be adopted must be put to the shareholders. However, such a resolution is advisory only and does not bind the company or the directors of the company.

The remuneration report sets out the company's remuneration arrangements for the directors and senior management of the company. The remuneration report is part of the directors' report contained in the annual financial report of the company for a financial year.

The chair of the meeting must allow a reasonable opportunity for its shareholders to ask questions about or make comments on the remuneration report at the annual general meeting.

2.2 Voting consequences

Under changes to the Corporations Act which came into effect on 1 July 2011, a company is required to put to its shareholders a resolution proposing the calling of another meeting of shareholders to consider the appointment of directors of the company (**Spill Resolution**) if, at consecutive annual general meetings, at least 25% of the votes cast on a remuneration report resolution are voted against adoption of the remuneration report and at the first of those annual general meetings a Spill Resolution was not put to vote. If required, the Spill Resolution must be put to vote at the second of those annual general meetings.

If more than 50% of votes cast are in favour of the Spill Resolution, the company must convene a shareholder meeting (**Spill Meeting**) within 90 days of the second annual general meeting.

All of the directors of the company who were in office when the directors' report (as included in the company's annual financial report for the previous financial year) was approved, other than the managing director of the company, will cease to hold office immediately before the end of the Spill Meeting but may stand for re-election at the Spill Meeting.

Following the Spill Meeting those persons whose election or re-election as directors of the company is approved will be the directors of the company.

2.3 Previous voting results

At the Company's previous annual general meeting the votes cast against the remuneration report considered at that annual general meeting were less than 25%. Accordingly, the Spill Resolution is not relevant for this Annual General Meeting.

2.4 Proxy voting restrictions

Shareholders appointing a proxy for this Resolution should note the following:

If you appoint a member of the Key Management Personnel (other than the Chair) whose remuneration details are included in the Remuneration Report, or a Closely Related Party of such a member as your proxy, you must direct your proxy how to vote on this Resolution. Undirected proxies granted to these persons will not be voted and will not be counted in calculating the required majority if a poll is called on this Resolution.

If you appoint the Chair as your proxy (where he/she is also a member of the Key Management Personnel whose remuneration details are included in the Remuneration Report, or a Closely Related Party of such a member) you do not need to direct your proxy how to vote on this Resolution. However, if you do not direct the Chair how to vote, you must mark the acknowledgement on the Proxy Form to expressly authorise the Chair to exercise his/her discretion in exercising your proxy even though this Resolution is connected directly or indirectly with the remuneration of Key Management Personnel.

If you appoint any other person as your proxy you do not need to direct your proxy how to vote on this Resolution, and you do not need to mark any further acknowledgement on the Proxy Form.

3. RESOLUTION 2 – RE-ELECTION OF RANKO MATIC

Clause 13.2 of the Constitution requires one-third of the Directors for the time being, or, if their number is not a multiple of 3, then the number nearest one-third (rounded upwards), to retire from office at every annual general meeting provided that no Director except a Managing Director shall hold office for a period in excess of 3 years, or until the third annual general meeting following his or her appointment, whichever is longer, without submitting himself for re-election.

Clause 13.2 of the Constitution states that the Directors to retire at an annual general meeting are those who have been longest in office since their last election and that a retiring director is eligible for re-election. An election of Directors must take place each year. Mr Ranko Matic was appointed as a Non-Executive Director by the Board on 12 February 2016. Mr Matic retires in accordance with the Constitution and being eligible, offers himself for re-election as a Director.

Mr Matic has over 25 years' experience in the areas of financial and executive management, accounting, audit, business and corporate advisory. Mr Matic is a director of a corporate advisory company based in Perth and has specialist expertise in areas of audit, corporate services, due diligence, mergers and acquisitions and valuations.

Mr Matic is the Non-Executive Director of Argosy Minerals Limited, Celsius Resources Limited and East Energy Resources Limited; and previously for Valmec Limited until March 2017.

Mr Matic will retire in accordance with clause 13.2 of the Constitution and ASX Listing Rule 14.5 and being eligible, seeks election from Shareholders.

If elected the board considers Mr Matic will be an independent director.

The other Directors of the Company unanimously recommend the re-election of Mr Matic.

4. RESOLUTION 3 – APPROVAL OF 10% PLACEMENT CAPACITY

4.1 General

ASX Listing Rule 7.1A provides that an Eligible Entity (as defined below) may seek shareholder approval by special resolution passed at an annual general meeting to have the capacity to issue up to that number of Equity Securities (as defined below) equal to 10% of its issued capital

(10% Placement Capacity) without using that company's existing 15% annual placement capacity granted under ASX Listing Rule 7.1.

An Eligible Entity is one that, as at the date of the relevant annual general meeting:

- (a) is not included in the S&P/ASX 300 Index; and
- (b) has a maximum market capitalisation (excluding restricted securities and securities quoted on a deferred settlement basis) of \$300,000,000.

As at the date of this Notice, the Company is an Eligible Entity as it is not included in the S&P/ASX 300 Index and has a current market capitalisation of \$4,561,162 (based on the number of Shares on issue and the closing price of Shares on the ASX on 3 April 2018).

An Equity Security is a share, a unit in a trust, a right to a share or unit in a trust or option, an option over an issued or unissued security, a convertible security, or, any security that ASX decides to classify as an equity security.

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

As at the date of this Notice, the Company currently has one class of quoted Equity Securities on issue, being the Shares (ASX Code: AVD).

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

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.

4.2 Technical information required by ASX Listing Rule 7.1A

Pursuant to and in accordance with ASX Listing Rule 7.3A, the information below is provided in relation to this Resolution 3:

(a) Minimum Price

The minimum price at which the Equity Securities may be issued is 75% of the volume weighted average price of Equity Securities in that class, calculated over the 15 ASX trading days on which trades in that class were recorded 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 5 ASX trading days of the date in section (a)(i), the date on which the Equity Securities are issued.

(b) Date of Issue

The Equity Securities may be issued under the 10% Placement Capacity commencing on the date of the Meeting and expiring on the first to occur of the following:

- (i) 12 months after the date of this Meeting; and
- (ii) the date of approval by Shareholders of any transaction under ASX Listing Rules 11.1.2 (a significant change to the nature or scale of the Company's activities) or 11.2 (disposal of the Company's main undertaking) (after which date, an approval under Listing Rule 7.1A ceases to be valid),

(10% Placement Capacity Period).

(c) **Risk of voting dilution**

Any issue of Equity Securities under the 10% Placement Capacity will dilute the interests of Shareholders who do not receive any Shares under the issue.

If Resolution 3 is approved by Shareholders and the Company issues the maximum number of Equity Securities available under the 10% Placement Capacity, the economic and voting dilution of existing Shares would be as shown in the table below.

The table below shows the dilution of existing Shareholders calculated in accordance with the formula outlined in ASX Listing Rule 7.1A(2), on the basis of the market price of Shares and the number of Equity Securities on issue as at 3 April 2018.

The table also shows the voting dilution impact where the number of Shares on issue (Variable A in the formula) changes and the economic dilution where there are changes in the issue price of Shares issued under the 10% Placement Capacity.

Number of Shares on Issue (Variable 'A' in ASX Listing Rule 7.1A2)	Dilution			
	Issue Price (per Share)	\$0.0140 50% decrease in Issue Price	\$0.0280 Issue Price	\$0.0420 50% increase in Issue Price
162,898,654 (Current Variable A)	Shares issued - 10% voting dilution	16,289,865 Shares	16,289,865 Shares	16,289,865 Shares
	Funds raised	\$228,058.12	\$456,116.23	\$684,174.35
244,347,981,981 (50% increase in Variable A)	Shares issued - 10% voting dilution	24,434,798 Shares	24,434,798 Shares	24,434,798 Shares
	Funds raised	\$342,087.17	\$684,174.35	\$1,026,261.52
325,797,308 (100% increase in Variable A)	Shares issued - 10% voting dilution	32,579,731 Shares	32,579,731 Shares	32,579,731 Shares
	Funds raised	\$456,116.23	\$912,232.46	\$1,368,348.69

*The number of Shares on issue (Variable A in the formula) could increase as a result of the issue of Shares that do not require Shareholder approval (such as under a pro-rata rights issue or scrip issued under a takeover offer) or that are issued with Shareholder approval under Listing Rule 7.1.

The table above uses the following assumptions:

1. There are currently 162,898,654 Shares on issue.
2. The issue price set out above is the closing price of the Shares on the ASX on 3 April 2018.
3. The Company issues the maximum possible number of Equity Securities under the 10% Placement Capacity.
4. The Company has not issued any Equity Securities in the 12 months prior to the Meeting that were not issued under an exception in ASX Listing Rule 7.2 or with approval under ASX Listing Rule 7.1.
5. The issue of Equity Securities under the 10% Placement Capacity consists only of Shares. It is assumed that no Options are exercised into Shares before the date of issue of the Equity Securities.

6. The calculations above do not show the dilution that any one particular Shareholder will be subject to. All Shareholders should consider the dilution caused to their own shareholding depending on their specific circumstances.
7. This table does not set out any dilution pursuant to approvals under ASX Listing Rule 7.1.
8. 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%.
9. 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 Capacity, based on that Shareholder's holding at the date of the Meeting.

Shareholders should note that there is a risk that:

- (i) the market price for the Company's Shares may be significantly lower on the issue date than on the date of the Meeting; and
- (ii) the Shares may be issued at a price that is at a discount to the market price for those Shares on the date of issue.

(d) **Purpose of Issue under 10% Placement Capacity**

The Company may issue Equity Securities under the 10% Placement Capacity for the following purposes:

- (i) as cash consideration in which case the Company intends to use funds raised for continued exploration expenditure on the Company's current assets (funds would then be used for project, feasibility studies and ongoing project administration), the acquisition of new resources, assets and investments (including expenses associated with such an acquisition), general working capital; or
- (ii) as non-cash consideration for the acquisition of new resources assets and investments including previously announced acquisitions, in such circumstances the Company will provide a valuation of the non-cash consideration as required by listing Rule 7.1A.3.

The Company will comply with the disclosure obligations under Listing Rules 7.1A(4) and 3.10.5A upon issue of any Equity Securities.

(e) **Allocation policy under the 10% Placement Capacity**

The recipients of the Equity Securities to be issued under the 10% Placement Capacity have not yet been determined. However, the recipients of Equity Securities could consist of current Shareholders or new investors (or both), none of whom will be related parties of the Company.

The Company will determine the recipients at the time of the issue under the 10% Placement Capacity, having regard to the following factors:

- (i) the purpose of the issue;
- (ii) alternative methods for raising funds available to the Company at that time, including, but not limited to, an entitlement issue or other offer where existing Shareholders may participate;
- (iii) the effect of the issue of the Equity Securities on the control of the Company;
- (iv) the circumstances of the Company, including, but not limited to, the financial position and solvency of the Company;
- (v) prevailing market conditions; and
- (vi) advice from corporate, financial and broking advisers (if applicable).

Further, if the Company is successful in acquiring new resources, assets or investments, it is likely that the recipients under the 10% Placement Capacity will be vendors of the new resources, assets or investments.

(f) **Previous approval under ASX Listing Rule 7.1A**

The Company previously obtained approval from its Shareholders pursuant to ASX Listing Rule 7.1A at its annual general meeting held on 31 May 2017 (**Previous Approval**).

The Company has not issued any Equity Securities pursuant to the Previous Approval.

During the 12 month period preceding the date of the Meeting, being on and from 31 May 2017, the Company has not issued any Equity Securities under any other purpose.

(g) **Compliance with ASX Listing Rules 7.1A.4 and 3.10.5A**

When the Company issues Equity Securities pursuant to the 10% Placement Capacity, it must give to ASX:

- (i) a list of the recipients of the Equity Securities and the number of Equity Securities issued to each (not for release to the market), in accordance with Listing Rule 7.1A.4; and
- (ii) the information required by Listing Rule 3.10.5A for release to the market.

4.3 Voting Exclusion

A voting exclusion statement is included in this Notice. As at the date of this Notice, the Company has not invited any existing Shareholder to participate in an issue of Equity Securities under ASX Listing Rule 7.1A. Therefore, no existing Shareholders will be excluded from voting on Resolution 3.

5. BACKGROUND TO RESOLUTIONS 4 - 8

The Company is proposing to change its company type from a public no liability company to a public company limited by shares. The proposal to change company type arises because, pursuant to section 112(2) of the Corporations Act, a company may only be registered as a no liability company if the company's constitution states that its sole objects are mining purposes.

As such, it is proposed to change the Company's status to a public company limited by shares to give the Company flexibility with respect to any future acquisitions that are presented to the Board.

6. RESOLUTION 4 – APPROVAL FOR SELECTIVE REDUCTION OF CAPITAL – PARTLY PAID SHARES

6.1 Background

Section 5 of this Explanatory Statement relates to Resolution 4 of the Notice of Meeting and the sole resolution of the Partly Paid Shareholders' Special General Meeting. Resolution 4 will only come into effect if Resolution 4 at the Partly Paid Shareholders' Special General Meeting is passed.

The Company currently has 15,000,000 Partly Paid Shares on issue. The Partly Paid Shares were issued at \$0.20 per Share, of which \$0.01 was paid on issue. The balance of the issue price is payable at the election of the holder at any time.

The purpose of Resolution 4 is to seek the requisite approval of Shareholders required under the Corporations Act for the selective reduction and cancellation of the Partly Paid Shares held by the Partly Paid Shareholders (**Partly Paid Shares Selective Capital Reduction**). The ASX has

granted the Company a waiver from the requirements of ASX Listing Rule 7.24.2 to permit the Company to complete the Partly Paid Shares Selective Capital Reduction.

The effect of Resolution 4 will be a selective capital reduction and cancellation of 15,000,000 Partly Paid Shares held by the Partly Paid Shareholders. See Section 6.3 below for further details.

Resolution 4 is a special resolution, and therefore requires not less than 75% of all votes cast on the Resolution to be in favour of the Resolution for it to be passed.

6.2 Section 256C of the Corporations Act

Pursuant to section 256C of the Corporations Act, a company may make a selective capital reduction if it is approved by a special resolution passed at a general meeting of the Company, with no votes being cast in favour of the resolution by any person who is to receive consideration as part of the reduction or whose liability to pay amounts unpaid on shares is to be reduced.

The Corporations Act provides that the rules relating to a reduction of share capital are designed to protect the interests of shareholders and creditors by:

- (a) addressing the risk of the transaction leading to the Company's solvency;
- (b) seeking to ensure fairness between the shareholders of the Company; and
- (c) requiring the Company to disclose all material information.

In particular, Section 256B of the Corporations Act requires that a Company may only reduce its capital if:

- (a) it is fair and reasonable to the shareholders as a whole;
- (b) it does not materially prejudice the Company's ability to pay its creditors; and
- (c) it is approved by shareholders in accordance with section 256C of the Corporations Act.

Section 256C(4) of the Corporations Act requires that the Company must include with the Notice of Meeting a statement setting out all information known to the Company that is material to the decision on how to vote on the resolution. However, the Company does not have to disclose information if it would be unreasonable to require the Company to do so because the Company had previously disclosed the information to shareholders.

The Directors believe that the Partly Paid Shares Selective Capital Reduction as proposed is fair and reasonable to Shareholders for the following reasons:

- (a) the Partly Paid Shares Selective Capital Reduction will only result in the cancellation of the Partly Paid Shares issued to the Partly Paid Shareholders;
- (b) the Partly Paid Shares Selective Capital Reduction will not materially prejudice the Company's ability to pay its creditors and will have minimal financial effect on the Company; and
- (c) the financial effect on cash reserves of the Partly Paid Shares Selective Capital Reduction on the Company will be nil as the Company nil consideration will be received by the Partly Paid Shareholders for the Partly Paid Shares Selective Capital Reduction.

The Directors do not consider that there are any material disadvantages to the Company undertaking the Partly Paid Shares Selective Capital Reduction.

Pursuant to section 256C(2) of the Corporations Act, a selective reduction of capital must be approved by either:

- (a) a special resolution passed at a general meeting of the Company, with no votes being cast in favour of the resolution by any person who is to receive consideration as part of the reduction or whose liability to pay amounts unpaid on shares is to be reduced, or by their associates; or
- (b) a resolution agreed to, at a general meeting by all Shareholders.

Further, as the Partly Paid Shares Selective Capital Reduction involves the cancellation of shares, section 256C(2) of the Corporations Act requires that the selective capital reduction must also be approved by a special resolution passed at a meeting of the shareholders whose shares are to be cancelled.

The Partly Paid Shareholders' Special General Meeting is being held after the General Meeting, at which the Partly Paid Shareholders will vote on the Partly Paid Shares Selective Capital Reduction, for the purpose of satisfying section 256C(2) of the Corporations Act (subject to Resolution 4 being passed at the General Meeting).

6.3 Summary of and Effect of Proposed Partly Paid Shares Selective Capital Reduction

The overall effect of the Partly Paid Shares Selective Capital Reduction is to reduce the number of Partly Paid Shares currently on issue from 15,000,000 to nil.

Due to the current no liability status of the Company, Partly Paid Shareholders holding Partly Paid Shares have no obligation to pay any amounts that are unpaid on those shares when a call is made, but may suffer forfeiture of those shares if a call is unpaid.

The Board has determined that the Company's Partly Paid Share structure creates cost and complexity for the Company and as such it has decided that it is in the best interests of the Company to cancel the Partly Paid Shares on issue through a selective reduction of capital, as part of seeking to convert the Company from a no liability company to a public company limited by shares. Resolutions 6, 7 and 8 are proposed to approve converting the Company to a public company limited by shares, to change the name of the Company to "Antilles Oil & Gas Limited" and to adopt a new Constitution appropriate for a public company limited by shares.

6.4 Interests of Directors

One of the Directors, Mr Damian Black, has a material personal interest in the outcome of Resolution 4 as he is a holder of Partly Paid Shares. Mr Black therefore does not make any recommendation to Shareholders in relation to Resolution 4.

Mr David Wheeler and Mr Ranko Matic do not have any material interest in the outcome of Resolution 4 other than as a result of their interest arising solely in the capacity as Shareholders. Messes Wheeler and Matic believes that the Partly Paid Shares Selective Capital Reduction will not materially prejudice the Company's ability to pay its creditors because the Partly Paid Shares Selective Capital Reduction is being made for nil consideration and will have no impact on the Company's cash reserves or its ability to meet its financial commitments.

6.5 Other Material Information

There is no information material to the making of a decision by a Shareholder whether or not to approve Resolution 4 being information that is known to any of the Directors and which has not been previously disclosed to Shareholders, other than as disclosed in this Explanatory Statement.

Once Resolution 4 is passed by Shareholders and Resolution 1 of the Partly Paid Shareholders' Special General Meeting is passed by the Partly Paid Shareholders, the Company will not make

the reduction of capital until at least 14 days after lodgement of Resolution 4 with the ASIC, in accordance with the ASIC prescribed timeline for selective capital reductions.

7. RESOLUTION 5 – APPROVAL FOR SELECTIVE REDUCTION OF CAPITAL – PERFORMANCE SHARES

7.1 Background

Section 5 of this Explanatory Statement relates to Resolution 5 of the Notice of Meeting and the sole resolution of the Preference Shareholders' Special General Meeting. Resolution 5 will only come into effect if Resolution 1 at the Preference Shareholders' Special General Meeting is passed.

The purpose of Resolution 5 is to seek the requisite approval of Shareholders required under the Corporations Act for the selective reduction and cancellation of nine (9) Preference Shares held by Preference Shareholders (**Preference Shareholders' Selective Capital Reduction**). An indicative timetable for implementation of the selective capital reduction is set out in Schedule 2.

The effect of Resolution 5 will be a selective capital reduction and cancellation of nine (9) Preference Shares held by the Preference Shareholders. See Section 7.3 below for further details.

Resolution 5 is a special resolution, and therefore requires not less than 75% of all votes cast on the Resolution to be in favour of the Resolution for it to be passed.

7.2 Corporations Act

A summary of the relevant provisions of the Corporations Act relating to this Resolution is set out in Section 6.2.

The Directors believe that the Preference Shareholders' Selective Capital Reduction as proposed is fair and reasonable to Shareholders for the following reasons:

- (a) the Preference Shareholders' Selective Capital Reduction will only result in the cancellation of the Preference Shares issued to the Preference Shareholders;
- (b) the Preference Shareholders' Selective Capital Reduction will not materially prejudice the Company's ability to pay its creditors and will have minimal financial effect on the Company; and
- (c) the financial effect on cash reserves of the Preference Shareholders' Selective Capital Reduction on the Company will be nil as no monetary consideration is being provided for the Preference Shareholders' Selective Capital Reduction.

The Directors do not consider that there are any material disadvantages to the Company undertaking the Preference Shareholders' Selective Capital Reduction.

Further, as the Preference Shareholders' Selective Capital Reduction involves the cancellation of shares, section 256C(2) of the Corporations Act requires that the Preference Shareholders' Selective Capital Reduction must also be approved by a special resolution passed at a meeting of the shareholders whose shares are to be cancelled.

The Preference Shareholders' Special General Meeting is being held after the General Meeting, at which the Preference Shareholders will vote on the Preference Shareholders' Selective Capital Reduction, for the purpose of satisfying section 256C(2) of the Corporations Act (subject to Resolution 5 being passed at the General Meeting).

7.3 Summary of and Effect of Proposed Preference Shareholders' Selective Capital Reduction

The overall effect of the Preference Shareholders' Selective Capital Reduction is to reduce the number of Preference Shares currently on issue from nine (9) to nil. The Preference Shareholders' Selective Capital Reduction will not have an effect on the number of Shares currently on issue.

The Board has determined that the Company's Preference Share structure creates cost and complexity for the Company and as such it has decided that it is in the best interests of the Company to cancel the Preference Shares on issue through a selective reduction of capital, as part of seeking to convert the Company from a no liability company to a public company limited by shares. Resolutions 6, 7 and 8 are proposed to approve converting the Company to a public company limited by shares, to change the name of the Company to "Antilles Oil & Gas Limited" and to adopt a new Constitution appropriate for a public company limited by shares.

7.4 Interests of Directors

The Directors do not have any material interest in the outcome of Resolution 5 other than as a result of their interest arising solely in the capacity as Shareholders.

The Directors believe that the Preference Shareholders' Selective Capital Reduction will not materially prejudice the Company's ability to pay its creditors because the Preference Shareholders' Selective Capital Reduction is being made for nil cash consideration and will have no impact on the Company's cash reserves or its ability to meet its financial commitments.

Accordingly, the Directors recommend that Shareholders vote in favour of Resolution 5 as they consider the proposed reduction of capital to be fair and reasonable and in the best interests of Shareholders.

7.5 Other Material Information

There is no information material to the making of a decision by a Shareholder whether or not to approve Resolution 5 being information that is known to any of the Directors and which has not been previously disclosed to Shareholders, other than as disclosed in this Explanatory Statement.

Once Resolution 5 is passed by Shareholders and Resolution 1 of the Preference Shareholders Special General Meeting is passed by the Preference Shareholders, the Company will not make the reduction of capital until at least 14 days after lodgement of Resolution 5 with the ASIC, in accordance with the ASIC prescribed timeline for selective capital reductions.

8. RESOLUTION 6 – CHANGE OF COMPANY STATUS – NL TO LTD

Resolution 6 seeks Shareholder approval for the Company to change its status from a no liability company to a public company limited by shares. Section 162 of the Corporations Act specifically provides that a public no liability company may change its status to a public company limited by shares by the members of the company passing a special resolution to that effect.

The Directors are of the view that public companies limited by shares are the most common type of company listed on the ASX. As such, the proposed change to a public company limited by shares will improve the Company's ability to raise capital and pursue its business objectives using a capital structure that is more readily understood by investors and their advisors.

In addition, pursuant to section 112(2) of the Corporations Act, a company may only be registered as a no liability company if the company's constitution states that its sole objects are mining purposes. As such, it is proposed to change the Company's status to a public company limited by shares to give the Company flexibility with respect to any future acquisitions that are presented to the Board.

In addition to only engaging in businesses related to mining, a principal difference between a no liability company and a company limited by shares is that a shareholder of a no liability company has no obligation to pay calls on their shares, although their shares are liable to be forfeited if they do not do so.

In contrast, a shareholder of a company limited by shares has a contractual obligation to pay any amount unpaid on their shares in the event of a call of the unpaid amount, and may be sued if they fail to pay such a call.

Subject to the passing of Resolution 4, the Company will not have any Partly Paid Shares on issue, and the matter of payment for Partly Paid Shares would be of practical importance only if you accepted an offer by the Company of Partly Paid Shares in the future.

Current shareholders, all of whom hold fully paid shares, have no obligation to contribute further funds to the Company. If the Company did offer partly paid shares for subscription the maximum liability of the holders of such shares would be the amount unpaid on the share. The change from a no liability company to a company limited by shares will not affect the Company's existing property, rights or obligations.

The change of company status will result in the Company's name being altered from Antilles Oil & Gas NL to Antilles Oil & Gas Limited.

9. RESOLUTION 7 – CHANGE OF COMPANY NAME

Section 157(1)(a) of the Corporations Act provides that a company may change its name if the company passes a special resolution adopting a new name.

Resolution 7 seeks the approval of Shareholders for the Company to change its name to "Antilles Oil & Gas Limited". If Resolution 7 is passed the change of name will take effect when ASIC alters the details of the Company's registration.

The proposed name has been reserved by the Company and if Resolutions 4, 6 and 7 are passed, the Company will lodge a copy of the special resolution with ASIC following the Meeting in order to effect the change.

10. RESOLUTION 8 – REPLACEMENT OF CONSTITUTION

A company may modify or repeal its constitution or a provision of its constitution by special resolution of Shareholders.

Resolution 8 is a special resolution which will enable the Company to repeal its existing Constitution and adopt a new constitution (**Proposed Constitution**) which is of the type required for a listed public company limited by shares, reflects the current provisions of the Corporations Act and ASX Listing Rules.

The Directors believe that it is preferable in the circumstances to replace the existing Constitution with the Proposed Constitution rather than to amend a multitude of specific provisions.

The Proposed Constitution is broadly consistent with the provisions of the existing Constitution. Many of the proposed changes are administrative or minor in nature including but not limited to:

- (a) updating the name of the Company to that adopted in Resolution 7;
- (b) updating to incorporate the changes required for the new status adopted in Resolution 6;
- (c) updating references to bodies or legislation which have been renamed (e.g. references to the Australian Settlement and Transfer Corporation Pty Ltd, ASTC Settlement Rules and ASTC Transfer); and

- (d) expressly providing for statutory rights by mirroring these rights in provisions of the Proposed Constitution.

The Directors believe these amendments are not material nor will they have any significant impact on Shareholders. It is not practicable to list all of the changes to the Constitution in detail in this Explanatory Memorandum, however, a summary of the proposed material changes is set out below.

A copy of the Proposed Constitution is available for review by Shareholders at the Company's website www.antillesoilandgas.com.au and at the office of the Company. A copy of the Proposed Constitution can also be sent to Shareholders upon request to the Company Secretary (+61 8 6188 8181). Shareholders are invited to contact the Company if they have any queries or concerns.

10.1 Summary of material proposed changes

Minimum Shareholding (clause 3)

Clause 3 of the Constitution outlines how the Company can manage shareholdings which represent an "unmarketable parcel" of shares, being a shareholding that is less than \$500 based on the closing price of the Company's Shares on ASX as at the relevant time.

The Proposed Constitution is in line with the requirements for dealing with "unmarketable parcels" outlined in the Corporations Act such that where the Company elects to undertake a sale of unmarketable parcels, the Company is only required to give one notice to holders of an unmarketable parcel to elect to retain their shareholding before the unmarketable parcel can be dealt with by the Company, saving time and administrative costs incurred by otherwise having to send out additional notices.

Clause 3 of the Proposed Constitution continues to outline in detail the process that the Company must follow for dealing with unmarketable parcels.

Fee for registration of off market transfers (clause 8.4(c))

On 24 January 2011, ASX amended ASX Listing Rule 8.14 with the effect that the Company may now charge a "reasonable fee" for registering paper-based transfers, sometimes referred to "off-market transfers".

Clause 8.4 of the Proposed Constitution is being made to enable the Company to charge a reasonable fee when it is required to register off-market transfers from Shareholders. The fee is intended to represent the cost incurred by the Company in upgrading its fraud detection practices specific to off-market transfers.

Before charging any fee, the Company is required to notify ASX of the fee to be charged and provide sufficient information to enable ASX to assess the reasonableness of the proposed amount.

Dividends (clause 22)

Section 254T of the Corporations Act was amended effective 28 June 2010.

There is now a three-tiered test that a company will need to satisfy before paying a dividend replacing the previous test that dividends may only be paid out of profits.

The amended requirements provide that a company must not pay a dividend unless:

- (a) the company's assets exceed its liabilities immediately before the dividend is declared and the excess is sufficient for the payment of the dividend;
- (b) the payment of the dividend is fair and reasonable to the company's shareholders as a whole; and

- (c) the payment of the dividend does not materially prejudice the company's ability to pay its creditors.

11. ENQUIRIES

Shareholders may contact the Company Secretary on (+ 61 8) 6188 8181 if they have any queries in respect of the matters set out in these documents.

GLOSSARY

\$ means Australian dollars.

10% Placement Capacity has the meaning given in Section 4.1.

Annual General Meeting means the meeting convened by the Notice of Meeting.

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited.

ASX Listing Rules means the Listing Rules of ASX.

Board means the current board of directors of the Company.

Business Day means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day, and any other day that ASX declares is not a business day.

Chair means the chair of the Meeting.

Closely Related Party of a member of the Key Management Personnel means:

- (a) a spouse or child of the member;
- (b) a child of the member's spouse;
- (c) a dependent of the member or the member's spouse;
- (d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealing with the entity;
- (e) a company the member controls; or
- (f) a person prescribed by the *Corporations Regulations 2001 (Cth)*.

Commencement Date means the date on which the executive commenced their executive role with the Company.

Company means Antilles Oil and Gas NL (ACN 111 823 762).

Constitution means the Company's constitution.

Corporations Act means the Corporations Act 2001 (Cth).

Directors means the current directors of the Company.

Eligible Entity means an entity that, at the date of the relevant general meeting:

- (a) is not included in the S&P/ASX 300 Index; and
- (b) has a maximum market capitalisation (excluding restricted securities and securities quoted on a deferred settlement basis) of \$300,000,000.

Equity Securities includes a Share, a right to a Share or Option, an Option, a convertible security and any security that ASX decides to classify as an Equity Security.

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

Key Management Personnel has the same meaning as in the accounting standards issued by the Australian Accounting Standards Board and means those persons having authority and responsibility for planning, directing and controlling the activities of the Company, or if the Company is part of a consolidated entity, of the consolidated entity, directly or indirectly, including any director (whether executive or otherwise) of the Company, or if the Company is part of a consolidated entity, of an entity within the consolidated group.

Notice of Meeting or **Notice of Annual General Meeting** means this notice of annual general meeting including the Explanatory Statement.

Ordinary Securities has the meaning set out in the ASX Listing Rules.

Partly Paid Share means a partly paid ordinary share in the capital of the Company.

Partly Paid Shareholder means the holder of a Partly Paid Share as at the date of the Meeting.

Partly Paid Shares Selective Capital Reduction has the meaning given in Section 4.

Partly Paid Shareholders' Special General Meeting means the special general meeting convened by the Notice, pursuant to which the Partly Paid Shareholders will vote on the Partly Paid Shares Selective Capital Reduction in accordance with section 256C(2) of the Corporations Act.

Preference Share means a preference share in the capital of the Company.

Preference Shareholder means the holder of a Preference Share as at the date of the Meeting.

Preference Shareholders Selective Capital Reduction has the meaning given in Section 7.1.

Preference Shareholders' Special General Meeting means the special general meeting convened by the Notice, pursuant to which the Preference Shareholders will vote on the Preference Shares Selective Capital Reduction in accordance with section 256C(2) of the Corporations Act.

Proxy Form means the proxy form accompanying the Notice.

Remuneration Report means the remuneration report set out in the Director's report section of the Company's annual financial report for the year ended 31 December 2017.

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

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

Shareholder means a holder of a Share.

Special General Meeting means any one of the Partly Paid Shareholders' Special General Meeting or Preference Shareholders' Special General Meeting as the context requires.

Variable A means "A" as set out in the formula in ASX Listing Rule 7.1A(2).

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

Holder Number:

Vote by Proxy: AVD

Your proxy voting instruction must be received by **11.00am (WST) on Tuesday, 29 May 2018** being not later than **48 hours** before the commencement of the Meeting. Any Proxy Voting instructions received after that time will not be valid for the scheduled Meeting.

SUBMIT YOUR PROXY VOTE ONLINE

Vote online at <https://investor.automic.com.au/#/loginsah>

Login & Click on 'Meetings'. Use the Holder Number as shown at the top of this Proxy Voting form.

- ✓ **Save Money:** help minimise unnecessary print and mail costs for the Company.
- ✓ **It's Quick and Secure:** provides you with greater privacy, eliminates any postal delays and the risk of potentially getting lost in transit.
- ✓ **Receive Vote Confirmation:** instant confirmation that your vote has been processed. It also allows you to amend your vote if required.



SUBMIT YOUR PROXY VOTE BY PAPER

Complete the form overleaf in accordance with the instructions set out below.

YOUR NAME AND ADDRESS

The name and address shown above is as it appears on the Company's share register. If this information is incorrect, and you have an Issuer Sponsored holding, you can update your address through the investor portal:

<https://investor.automic.com.au/#/home> Shareholders sponsored by a broker should advise their broker of any changes.

VOTING UNDER STEP 1 - APPOINTING A PROXY

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. A proxy need not be a Shareholder of the Company. Otherwise if you leave this box blank, the Chairman of the Meeting will be appointed as your proxy by default.

DEFAULT TO THE 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 these 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 Voting 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 marking 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 SECOND PROXY

You may appoint up to two proxies. If you appoint two proxies, you should complete two separate Proxy Voting Forms and specify the percentage or number each proxy may exercise. If you do not specify a percentage or number, each proxy may exercise half the votes. You must return both Proxy Voting Forms together. If you require an additional Proxy Voting Form, contact Automic Registry Services.

SIGNING INSTRUCTIONS

You must sign this form as follows in the spaces provided

Individual: Where the holding is in one name, the Shareholder must sign.

Joint holding: Where the holding is in more than one name, all of the Shareholders should sign.

Power of attorney: If you have not already lodged the power of attorney with the registry, please attach a certified photocopy of the power of attorney to this Proxy Voting Form when you return it.

Companies: To be signed in accordance with your Constitution. Please sign in the appropriate box which indicates the office held by you.

Email Address: Please provide your email address in the space provided. **By providing your email address, you elect to receive all communications despatched by the Company electronically (where legally permissible) such as a Notice of Meeting, Proxy Voting Form and Annual Report via email.**

CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting the appropriate 'Appointment of Corporate Representative' should be produced prior to admission. A form may be obtained from the Company's share registry online at <https://automic.com.au>.

ATTENDING THE MEETING

Completion of a Proxy Voting Form will not prevent individual Shareholders from attending the Meeting in person if they wish. Where a Shareholder completes and lodges a valid Proxy Voting Form and attends the Meeting in person, then the proxy's authority to speak and vote for that Shareholder is suspended while the Shareholder is present at the Meeting.

POWER OF ATTORNEY

If a representative as power of attorney of a Shareholder of the Company is to attend the Meeting, a certified copy of the Power of Attorney, or the original Power of Attorney, must be received by the Company in the same manner, and by the same time as outlined for proxy forms.

CONTACT

Return your completed form:



BY MAIL

Automic Registry Services
PO Box 2226
Strawberry Hills NSW 2012



IN PERSON

Automic Registry Services
Level 3, 50 Holt Street,
Surry Hills NSW 2010

Contact us – All enquiries to Automic:



WEBCHAT

<https://automic.com.au/>



EMAIL

hello@automic.com.au



PHONE

1300 288 664 (Within Australia)
+61 2 9698 5414 (Overseas)

STEP 1: Please appoint a Proxy

Complete and return this form as instructed only if you do not vote online

I/We being a Shareholder entitled to attend and vote at the Annual General Meeting of Antilles Oil & Gas NL, to be held at **11.00am (WST) on Thursday, 31 May 2018 at London House, Level 3, 216 St Georges Terrace, Perth WA 6000** hereby:

Appoint the Chairman of the Meeting (Chair) OR if you are not appointing the Chairman of the Meeting as your proxy, please write the name of the person or body corporate you are appointing as your proxy or failing the person so named or, if no person is named, the Chair, or the Chair's nominee, to vote in accordance with the following directions, or, if no directions have been given, and subject to the relevant laws as the proxy sees fit and at any adjournment thereof.

The Chair intends to vote undirected proxies in favour of all Resolutions in which the Chair is entitled to vote.

Unless indicated otherwise by ticking the "for," "against" or "abstain" box you will be authorising the Chair to vote in accordance with the Chair's voting intention.

AUTHORITY FOR CHAIR TO VOTE UNDIRECTED PROXIES ON REMUNERATION RELATED RESOLUTIONS

Where I/we have appointed the Chair as my/our proxy (or where the Chair becomes my/our proxy by default), I/we expressly authorise the Chair to exercise my/our proxy on Resolution 1 (except where I/we have indicated a different voting intention below) even though Resolution 1 is connected directly or indirectly with the remuneration of a member of the Key Management Personnel, which includes the Chair.

STEP 2: Your Voting Direction

Resolutions

1. Adoption Of Remuneration Report

For

Against

Abstain

☐
☐
☐

2. Re-Election Of Director – Mr Ranko Matic

☐
☐
☐

3. Approval of 10% Placement Capacity

☐
☐
☐

4. Approval to make Selective Reduction of Capital – Partly Paid Shares

☐
☐
☐

5. Approval to make Selective Reduction of Capital – Preference Shares

☐
☐
☐

6. Change of Company Status – NL to Ltd

☐
☐
☐

7. Change of Company Name

☐
☐
☐

8. Replacement of Constitution

☐
☐
☐

Please note: If you mark the abstain box for a particular Resolution, you are directing your proxy not to vote on that Resolution on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

STEP 3: Sign

SIGNATURE OF SHAREHOLDERS – THIS MUST BE COMPLETED

Individual or Securityholder 1

Securityholder 2

Securityholder 3

Sole Director and Sole Company Secretary

Director

Director / Company Secretary

Contact Name..... Contact Daytime Telephone..... Date ____/____/____

Email Address _____

By providing your email address, you elect to receive all of your communications despatched by the Company electronically (where legally permissible).

ANTILLES OIL AND GAS NL

ACN 111 823 762

NOTICE OF PARTLY PAID SHAREHOLDERS' SPECIAL GENERAL MEETING

Notice is given that the Partly Paid Shareholders' Special General Meeting will be held at:

TIME: 11:30 am WST

DATE: 31 May 2018

PLACE: London House,
Level 3, 216 St Georges Terrace,
Perth, Western Australia

The business of the Partly Paid Shareholders' Special General Meeting affects your shareholding and your vote is important.

This Notice of Partly Paid Shareholders' Special General Meeting should be read in its entirety. If Partly Paid Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Partly Paid Shareholders' Special General Meeting are those who are registered Partly Paid Shareholders at 5:00pm WST on 29 May 2018.

BUSINESS OF THE PARTLY PAID SHAREHOLDERS' SPECIAL GENERAL MEETING

Notice is given that a Special General Meeting of Partly Paid Shareholders of Antilles Oil & Gas NL will be held at London House, Level 3, 216 St Georges Terrace, Perth at 11.30am (WST) on 31 May 2018 or as soon as the Annual General Meeting of Shareholders has concluded or been adjourned, whichever is earlier.

The Explanatory Statement to the Notice of Meeting and the Explanatory Statement to this Notice of Partly Paid Shareholders' Special General Meeting provide additional information on matters to be considered at the Partly Paid Shareholders' Special General Meeting. The Explanatory Statement to the Notice of Meeting and the Explanatory Statement to this Notice of Partly Paid Shareholders' Special General Meeting and the Proxy Form are part of this Notice of Partly Paid Shareholders' Special General Meeting.

The persons eligible to vote at the Partly Paid Shareholders' Special General Meeting are the Partly Paid Shareholders (being the holders of the Partly Paid Shares subject to the Partly Paid Shares Selective Capital Reduction.

The business of the Partly Paid Shareholders' Special General Meeting affects the Partly Paid Shareholders' shareholdings.

Terms and abbreviations used in this Notice of Partly Paid Shareholders' Special General Meeting and Explanatory Statement of Partly Paid Shareholders' Special General Meeting are defined in the Glossary of the Notice of General Meeting above.

AGENDA

1. RESOLUTION 1 – APPROVAL FOR CANCELLATION OF PARTLY PAID SHARES

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

"That, subject to and conditional on the passing of Resolution 4 at the General Meeting, in accordance with section 256C(2) of the Corporations Act and for all other purposes, approval is given by the Partly Paid Shareholders for the Company to cancel a total of 15,000,000 Partly Paid Shares held by the Partly Paid Shareholders on the terms and conditions and for the purpose set out in the Special Meeting Explanatory Statement accompanying this Special Meeting Notice."

Dated: 27 April 2018

By order of the Board

**MS MELANIE ROSS
COMPANY SECRETARY**

Voting in person

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

Voting by proxy

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

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

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

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

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

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on +61 8 6188 8181.

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolution.

1. RESOLUTION 1 – APPROVAL FOR CANCELLATION OF PARTLY PAID SHARES

As outlined above, section 256C(2) of the Corporations Act requires that in order for a selective reduction of capital to be completed, the selective reduction of capital must also be approved by a special resolution passed at a meeting of the shareholders whose shares are to be cancelled.

The Partly Paid Shareholders' Special General Meeting is being held for the purpose of approving the Partly Paid Shareholders' Selective Capital Reduction, and the only parties entitled to attend and vote at the Partly Paid Shareholders' Special General Meeting are the Partly Paid Shareholders.

Details of the proposed Partly Paid Shareholders' Selective Capital Reduction are outlined in Section 6 of the Notice of Annual General Meeting annexed above, and the Company considers that all other information has been made available to Shareholders and Partly Paid Shareholders.

Resolution 1 to be considered at the Special General Meeting is a special resolution, and therefore requires not less than 75% of all votes cast on the Resolution to be in favour of the Resolution for it to be passed.

Holder Number:

Vote by Proxy: AVD

Your proxy voting instruction must be received by **11.30am (WST) on Tuesday, 29 May 2018** being **not later than 48 hours** before the commencement of the Meeting. Any Proxy Voting instructions received after that time will not be valid for the scheduled Meeting.

SUBMIT YOUR PROXY VOTE ONLINE

Vote online at <https://investor.automic.com.au/#/loginsah>

Login & Click on 'Meetings'. Use the Holder Number as shown at the top of this Proxy Voting form.

- ✓ **Save Money:** help minimise unnecessary print and mail costs for the Company.
- ✓ **It's Quick and Secure:** provides you with greater privacy, eliminates any postal delays and the risk of potentially getting lost in transit.
- ✓ **Receive Vote Confirmation:** instant confirmation that your vote has been processed. It also allows you to amend your vote if required.



SUBMIT YOUR PROXY VOTE BY PAPER

Complete the form overleaf in accordance with the instructions set out below.

YOUR NAME AND ADDRESS

The name and address shown above is as it appears on the Company's share register. If this information is incorrect, and you have an Issuer Sponsored holding, you can update your address through the investor portal:

<https://investor.automic.com.au/#/home> Shareholders sponsored by a broker should advise their broker of any changes.

VOTING UNDER STEP 1 - APPOINTING A PROXY

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. A proxy need not be a Shareholder of the Company. Otherwise if you leave this box blank, the Chairman of the Meeting will be appointed as your proxy by default.

DEFAULT TO THE 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 these 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 Voting 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 marking 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 SECOND PROXY

You may appoint up to two proxies. If you appoint two proxies, you should complete two separate Proxy Voting Forms and specify the percentage or number each proxy may exercise. If you do not specify a percentage or number, each proxy may exercise half the votes. You must return both Proxy Voting Forms together. If you require an additional Proxy Voting Form, contact Automic Registry Services.

SIGNING INSTRUCTIONS

You must sign this form as follows in the spaces provided

Individual: Where the holding is in one name, the Shareholder must sign.

Joint holding: Where the holding is in more than one name, all of the Shareholders should sign.

Power of attorney: If you have not already lodged the power of attorney with the registry, please attach a certified photocopy of the power of attorney to this Proxy Voting Form when you return it.

Companies: To be signed in accordance with your Constitution. Please sign in the appropriate box which indicates the office held by you.

Email Address: Please provide your email address in the space provided. **By providing your email address, you elect to receive all communications despatched by the Company electronically (where legally permissible) such as a Notice of Meeting, Proxy Voting Form and Annual Report via email.**

CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting the appropriate 'Appointment of Corporate Representative' should be produced prior to admission. A form may be obtained from the Company's share registry online at <https://automic.com.au>.

ATTENDING THE MEETING

Completion of a Proxy Voting Form will not prevent individual Shareholders from attending the Meeting in person if they wish. Where a Shareholder completes and lodges a valid Proxy Voting Form and attends the Meeting in person, then the proxy's authority to speak and vote for that Shareholder is suspended while the Shareholder is present at the Meeting.

POWER OF ATTORNEY

If a representative as power of attorney of a Shareholder of the Company is to attend the Meeting, a certified copy of the Power of Attorney, or the original Power of Attorney, must be received by the Company in the same manner, and by the same time as outlined for proxy forms.

CONTACT

Return your completed form:



BY MAIL

Automic Registry Services
PO Box 2226
Strawberry Hills NSW 2012



IN PERSON

Automic Registry Services
Level 3, 50 Holt Street,
Surry Hills NSW 2010

Contact us – All enquiries to Automic:



WEBCHAT

<https://automic.com.au/>



EMAIL

hello@automic.com.au



PHONE

1300 288 664 (Within Australia)
+61 2 9698 5414 (Overseas)

STEP 1: Please appoint a Proxy

Complete and return this form as instructed only if you do not vote online

I/We being a Shareholder entitled to attend and vote at the Partly Paid Shareholders' Special General Meeting of Antilles Oil & Gas NL, to be held at **11.30am (WST) on Thursday, 31 May 2018 at London House, Level 3, 216 St Georges Terrace, Perth WA 6000** hereby:

Appoint the Chairman of the Meeting (Chair) OR if you are not appointing the Chairman of the Meeting as your proxy, please write the name of the person or body corporate you are appointing as your proxy or failing the person so named or, if no person is named, the Chair, or the Chair's nominee, to vote in accordance with the following directions, or, if no directions have been given, and subject to the relevant laws as the proxy sees fit and at any adjournment thereof.

The Chair intends to vote undirected proxies in favour of all Resolutions in which the Chair is entitled to vote.

Unless indicated otherwise by ticking the "for," "against" or "abstain" box you will be authorising the Chair to vote in accordance with the Chair's voting intention.

STEP 2: Your Voting Direction

Resolutions

1. Approval for Cancellation of Partly Paid Shares

For

Against

Abstain

☐
☐
☐

Please note: If you mark the abstain box for a particular Resolution, you are directing your proxy not to vote on that Resolution on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

STEP 3: Sign

SIGNATURE OF SHAREHOLDERS – THIS MUST BE COMPLETED

Individual or Securityholder 1

Securityholder 2

Securityholder 3

Sole Director and Sole Company Secretary

Director

Director / Company Secretary

Contact Name..... Contact Daytime Telephone..... Date ____/____/____

Email Address _____

By providing your email address, you elect to receive all of your communications despatched by the Company electronically (where legally permissible).

ANTILLES OIL AND GAS NL

ACN 111 823 762

NOTICE OF PREFERENCE SHAREHOLDERS' SPECIAL GENERAL MEETING

Notice is given that the Preference Shareholders' Special General Meeting will be held at:

TIME: 12:00 pm WST

DATE: 31 May 2018

PLACE: London House,
Level 3, 216 St Georges Terrace,
Perth, Western Australia

The business of the Preference Shareholders' Special General Meeting affects your shareholding and your vote is important.

This Notice of Preference Shareholders' Special General Meeting should be read in its entirety. If Preference Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Preference Shareholders' Special General Meeting are those who are registered Preference Shareholders at 5:00pm WST on 29 May 2018.

BUSINESS OF THE PREFERENCE SHAREHOLDERS' SPECIAL GENERAL MEETING

Notice is given that a Special General Meeting of Preference Shareholders of Antilles Oil & Gas NL will be held at London House, Level 3, 216 St Georges Terrace, Perth at 12.00pm (WST) on 31 May 2018 or as soon as the Annual General Meeting of Shareholders has concluded or been adjourned, whichever is earlier.

The Explanatory Statement to the Notice of Meeting and the Explanatory Statement to this Notice of Preference Shareholders' Special General Meeting provides additional information on matters to be considered at the Preference Shareholders' Special General Meeting. The Explanatory Statement to the Notice of Meeting and the Explanatory Statement to this Notice of Preference Shareholders' Special General Meeting and the Proxy Form are part of this Notice of Preference Shareholders' Special General Meeting.

The persons eligible to vote at the Preference Shareholders' Special General Meeting are Preference Shareholders (being the holders of the Preference Shares subject to the Preference Shareholders Selective Capital Reduction.

The business of the Preference Shareholders' Special General Meeting affects the Preference Shareholders' shareholdings.

Terms and abbreviations used in this Notice of Preference Shareholders' Special General Meeting and Explanatory Statement of Special Preference Shareholders' General Meeting are defined in the Glossary of the Notice of General Meeting above.

AGENDA

2. RESOLUTION 1 – APPROVAL FOR CANCELLATION OF PREFERENCE SHARES

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

"That, subject to and conditional on the passing of Resolution 5 at the General Meeting, in accordance with section 256C(2) of the Corporations Act and for all other purposes, approval is given by the Preference Shareholders for the Company to cancel a total of nine (9) Preference Shares held by the Preference Shareholders on the terms and conditions and for the purpose set out in the Special Meeting Explanatory Statement accompanying this Special Meeting Notice. "

Dated: 27 April 2018

By order of the Board

**MS MELANIE ROSS
COMPANY SECRETARY**

Voting in person

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

Voting by proxy

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

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

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

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

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

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on +61 8 6188 8181.

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolution.

3. RESOLUTION 1 – APPROVAL FOR CANCELLATION OF PREFERENCE SHARES

As outlined above, section 256C(2) of the Corporations Act requires that in order for a selective reduction of capital to be completed, the selective reduction of capital must also be approved by a special resolution passed at a meeting of the shareholders whose shares are to be cancelled.

The Preference Shareholders' Special General Meeting is being held for the purpose of approving the Preference Shareholders' Selective Capital Reduction, and the only parties entitled to attend and vote at the Preference Shareholders' Special General Meeting are the Preference Shareholders.

Details of the proposed Preference Shareholders' Selective Capital Reduction are outlined in Section 7 of the Notice of General Meeting annexed above, and the Company considers that all other information has been made available to Shareholders and Preference Shareholders.

Resolution 1 to be considered at the Special General Meeting is a special resolution, and therefore requires not less than 75% of all votes cast on the Resolution to be in favour of the Resolution for it to be passed.

Holder Number:

Vote by Proxy: AVD

Your proxy voting instruction must be received by **12.00pm (WST) on Tuesday, 29 May 2018** being **not later than 48 hours** before the commencement of the Meeting. Any Proxy Voting instructions received after that time will not be valid for the scheduled Meeting.

SUBMIT YOUR PROXY VOTE ONLINE

Vote online at <https://investor.automic.com.au/#/loginsah>

Login & Click on 'Meetings'. Use the Holder Number as shown at the top of this Proxy Voting form.

- ✓ **Save Money:** help minimise unnecessary print and mail costs for the Company.
- ✓ **It's Quick and Secure:** provides you with greater privacy, eliminates any postal delays and the risk of potentially getting lost in transit.
- ✓ **Receive Vote Confirmation:** instant confirmation that your vote has been processed. It also allows you to amend your vote if required.



SUBMIT YOUR PROXY VOTE BY PAPER

Complete the form overleaf in accordance with the instructions set out below.

YOUR NAME AND ADDRESS

The name and address shown above is as it appears on the Company's share register. If this information is incorrect, and you have an Issuer Sponsored holding, you can update your address through the investor portal:

<https://investor.automic.com.au/#/home> Shareholders sponsored by a broker should advise their broker of any changes.

VOTING UNDER STEP 1 - APPOINTING A PROXY

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. A proxy need not be a Shareholder of the Company. Otherwise if you leave this box blank, the Chairman of the Meeting will be appointed as your proxy by default.

DEFAULT TO THE 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 these 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 Voting 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 marking 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 SECOND PROXY

You may appoint up to two proxies. If you appoint two proxies, you should complete two separate Proxy Voting Forms and specify the percentage or number each proxy may exercise. If you do not specify a percentage or number, each proxy may exercise half the votes. You must return both Proxy Voting Forms together. If you require an additional Proxy Voting Form, contact Automic Registry Services.

SIGNING INSTRUCTIONS

You must sign this form as follows in the spaces provided

Individual: Where the holding is in one name, the Shareholder must sign.

Joint holding: Where the holding is in more than one name, all of the Shareholders should sign.

Power of attorney: If you have not already lodged the power of attorney with the registry, please attach a certified photocopy of the power of attorney to this Proxy Voting Form when you return it.

Companies: To be signed in accordance with your Constitution. Please sign in the appropriate box which indicates the office held by you.

Email Address: Please provide your email address in the space provided. **By providing your email address, you elect to receive all communications despatched by the Company electronically (where legally permissible) such as a Notice of Meeting, Proxy Voting Form and Annual Report via email.**

CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting the appropriate 'Appointment of Corporate Representative' should be produced prior to admission. A form may be obtained from the Company's share registry online at <https://automic.com.au>.

ATTENDING THE MEETING

Completion of a Proxy Voting Form will not prevent individual Shareholders from attending the Meeting in person if they wish. Where a Shareholder completes and lodges a valid Proxy Voting Form and attends the Meeting in person, then the proxy's authority to speak and vote for that Shareholder is suspended while the Shareholder is present at the Meeting.

POWER OF ATTORNEY

If a representative as power of attorney of a Shareholder of the Company is to attend the Meeting, a certified copy of the Power of Attorney, or the original Power of Attorney, must be received by the Company in the same manner, and by the same time as outlined for proxy forms.

CONTACT

Return your completed form:



BY MAIL

Automic Registry Services
PO Box 2226
Strawberry Hills NSW 2012



IN PERSON

Automic Registry Services
Level 3, 50 Holt Street,
Surry Hills NSW 2010

Contact us – All enquiries to Automic:



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STEP 1: Please appoint a Proxy

Complete and return this form as instructed only if you do not vote online

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Appoint the Chairman of the Meeting (Chair) OR if you are not appointing the Chairman of the Meeting as your proxy, please write the name of the person or body corporate you are appointing as your proxy or failing the person so named or, if no person is named, the Chair, or the Chair's nominee, to vote in accordance with the following directions, or, if no directions have been given, and subject to the relevant laws as the proxy sees fit and at any adjournment thereof.

The Chair intends to vote undirected proxies in favour of all Resolutions in which the Chair is entitled to vote.

Unless indicated otherwise by ticking the "for," "against" or "abstain" box you will be authorising the Chair to vote in accordance with the Chair's voting intention.

STEP 2: Your Voting Direction

Resolutions

1. Approval for Cancellation of Preference Shares

For

Against

Abstain

☐
☐
☐

Please note: If you mark the abstain box for a particular Resolution, you are directing your proxy not to vote on that Resolution on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

STEP 3: Sign

SIGNATURE OF SHAREHOLDERS – THIS MUST BE COMPLETED

Individual or Securityholder 1

Securityholder 2

Securityholder 3

Sole Director and Sole Company Secretary

Director

Director / Company Secretary

Contact Name..... Contact Daytime Telephone..... Date ____/____/____

Email Address _____

By providing your email address, you elect to receive all of your communications despatched by the Company electronically (where legally permissible).