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PRYME ENERGY LIMITED  
ABN 75 117 387 354  
NOTICE OF ANNUAL GENERAL MEETING

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**TIME:** 11:00am (Brisbane time)  
**DATE:** 22 April 2015  
**PLACE:** Link Market Services  
Level 15, 324 Queen Street  
Brisbane QLD 4000

**This Notice of Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting. Should you wish to discuss the matters in this Notice of Meeting please contact the Managing Director on +61 7 3371 1103.**

## **NOTICE OF ANNUAL GENERAL MEETING**

Notice is given that the Annual General Meeting (**AGM**) of the Shareholders of Pryme Energy Limited (**Pryme** or **the Company**) will be held at 11:00am (Brisbane time) on Wednesday 22 April 2015 at Link Market Services Limited, Level 15, 324 Queen Street, Brisbane, Queensland.

The Explanatory Statement to this Notice of Meeting provides additional information on the matters to be considered at the AGM. The Explanatory Statement and the Proxy Form are part of this Notice of Meeting.

### **A. CONSIDERATION OF REPORTS**

To receive and consider the Financial Report, the Directors' Report and the Independent Audit Report of the Company for the financial year ended 31 December 2014.

Unless the Company's Share Registry has been notified otherwise, Shareholders have not been sent a hard copy of the Annual Report. All Shareholders can view the Annual Report, which contains the Financial Report for the year ended 31 December 2014; the Annual Report will be made available on the Company's website ([www.prymeenergy.com](http://www.prymeenergy.com)); under "Announcements and Reports" and then "Annual Reports".

### **B. QUESTIONS AND COMMENTS**

Following consideration of the Reports, the Chairman will give Shareholders a reasonable opportunity to ask questions about or comment on the management of the Company.

The Chairman will also give Shareholders a reasonable opportunity to ask the Auditor questions relevant to:

- (a) the conduct of the audit;
- (b) the preparation and content of the Independent Audit Report;
- (c) the accounting policies adopted by the Company in relation to the preparation of the financial statements; and
- (d) the independence of the Auditor in relation to the conduct of the audit.

The Chairman will also give the Auditor a reasonable opportunity to answer written questions submitted by Shareholders that are relevant to the content of the Independent Audit Report or the conduct of the audit. A list of written questions submitted by Shareholders will be made available at the start of the Meeting and any written answer tabled by the Auditor at the Meeting will be made available as soon as practicable after the Meeting.

### **C. ITEMS FOR APPROVAL**

#### **1. Re-election of Director – Mr Greg Short**

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

*"That, Mr Greg Short, who retires in accordance with clause 13.2 of the Company's Constitution, having offered himself for re-election and being eligible, is hereby re-elected as a Director of the Company."*

#### **2. Remuneration Report**

To consider and, if thought fit, to pass the following as an advisory resolution of the Company:

*"That, the Company's Remuneration Report for the financial year ended 31 December 2014 (set out in the Directors' Report) be adopted."*

The Remuneration Report is set out in the 2014 Annual Report. Please note that, in accordance with section 250R(3) of the Corporations Act, the vote on this resolution is advisory only, and does not bind the Directors or the Company.

### Voting Exclusion Statement

The Company will disregard any votes cast on Resolution 2:

- by or on behalf of a member of the Key Management Personnel (**KMP**) (as defined in Section 9 of the Corporations Act 2001) (which includes each of the directors of the Company) whose remuneration is included in the 2014 Remuneration Report; and
- by or on behalf of a closely related party (as defined in Section 9 of the Corporations Act 2001) (such as close family members and any controlled companies) of such member of the KMP; or
- as a proxy of any of the above.

However, the Company need not disregard a vote cast on Resolution 2 if it is cast as a proxy for a person who is entitled to vote and:

- the proxy appointment is in writing and specifies how the proxy is to vote (for, against, abstain); or
- the vote is cast by the person chairing the meeting, and
  - the proxy appointment does not specify how the proxy is to vote; and
  - the appointment expressly authorises the Chair of the meeting to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the KMP.

**By order of the Board**



**Swapna Keskar  
Company Secretary  
23 March 2015**

## **ENTITLEMENT TO ATTEND AND VOTE**

In accordance with Reg 7.11.37 of the Corporations Regulations 2001, the Board has determined that persons who are registered holders of shares of the Company as at 7:00pm (Brisbane time) on 20 April 2015 will be entitled to attend and vote at the Meeting as a shareholder.

If more than one joint holder of shares is present at the Meeting (whether personally, by proxy or by attorney or by representative) and tenders a vote, only the vote of the joint holder whose name appears first on the register will be counted.

### *Voting by Proxy*

If you are a shareholder entitled to attend and vote, you may appoint an individual or a body corporate as a proxy. If a body corporate is appointed as a proxy, that body corporate must ensure that it appoints a corporate representative in accordance with section 250D of the Corporations Act 2001 to exercise its powers as proxy at the Meeting.

A proxy need not be a shareholder of the Company.

A shareholder may appoint up to two proxies and specify the proportion or number of votes each proxy may exercise. If the shareholder does not specify the proportion or number of votes to be exercised, each proxy may exercise half of the shareholder's votes.

To be effective, the proxy must be received at the share registry of the Company no later than 11.00am (Brisbane time) on 20 April 2015, being 48 hours before the AGM. Proxies must be received before that time by one of the following methods:

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

By facsimile: In Australia (02) 9287 0309  
From outside Australia +61 2 9287 0309

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

### *Voting by Attorney*

A proxy form and the original power of attorney (if any) under which the proxy form is signed (or a certified copy of that power of attorney or other authority) must be received by the Company no later than 11:00am (Brisbane time) on 20 April 2015, being 48 hours before the AGM.

### *Corporate Representatives*

A body corporate which is a shareholder, or which has been appointed as a proxy, is entitled to appoint any person to act as its representative at the Meeting. The appointment of the representative must comply with the requirements under section 250D of the Corporations Act 2001. The representative should bring to the Meeting a properly executed letter or other document confirming its authority to act as the company's representative.

### *Shareholder questions*

If you wish to put a question to the Chairman of the Meeting or Auditor and you are not able to attend the AGM, please email your question to the Chief Financial Officer at [sandra@prymeenergy.com](mailto:sandra@prymeenergy.com). To allow time to collate questions and prepare answers, questions are to be received by the Chief Financial Officer by 5:00pm (Brisbane time) 15 April 2015.

Questions submitted in writing to the Chief Financial Officer will be put to the Chairman or Auditor at the Board's discretion.

## **EXPLANATORY STATEMENT**

This Explanatory Statement has been prepared for the information of the Shareholders of the Company in connection with the business to be conducted at the Annual General Meeting to be held at Link Market Services Limited, Level 15, 324 Queen Street, Brisbane, Queensland at 11:00am (Brisbane time) on Wednesday 22 April 2015.

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 at the AGM.

### **RESOLUTION 1: RE-ELECTION OF DIRECTOR – MR GREG SHORT**

In accordance with clause 13.2 of the Company's Constitution, Mr Greg Short retires by rotation and, being eligible, offers himself for re-election as a Director.

Mr Short holds a Bachelor's degree in Geology from the University of New England and is a Graduate of the Australian Institute of Company Directors.

Mr Short is a geologist with over 40 years' experience in petroleum exploration, initially as a production and operations geologist then rapidly advancing to supervisory and management positions. His experience includes 15 years overseas in senior exploration management positions in the USA, Europe and Africa. In the USA he was responsible for all of Exxon's petroleum exploration activities which included onshore and offshore GulfCoast exploration.

Mr Short has a strong technical grounding in exploration, development and production geoscience, exploration operations, joint venture management, government relations, budgeting, contract and project management, and people management.

He is also a non-executive director of ASX Listed MEO Australia Limited since July 2008, Po Valley Energy Limited (since July 2010) and Metgasco Limited (since August 2013).

*The Directors, with Mr Short abstaining, unanimously recommend that Shareholders vote in favour of this Resolution.*

### **RESOLUTION 2: REMUNERATION REPORT**

Section 250R(2) of the Corporations Act requires that the section of the Directors' Report dealing with the remuneration of director and key management personnel (**Remuneration Report**) be put to the vote of shareholders for adoption by way of a non-binding vote.

If there is a vote of 25% or more against the Remuneration Report at the 2015 AGM, and another vote of 25% or more at the 2016 AGM, then a resolution will be put to the 2016 AGM to put the Board (other than the Managing Director) up for re-election (**Spill Resolution**). If the Spill Resolution passes, then the Company must hold a Spill Meeting within 90 days at which all Directors (other than the Managing Director) who were Directors at the time the Remuneration Report that received the second strike will retire and may resubmit themselves for re-election.

The Remuneration Report details the remuneration policy for the Company and:

- reports the remuneration arrangements for Company Executives and Non-Executive Directors (Pryme Personnel);
- explains Board policies in relation to the nature and value of remuneration paid to Pryme Personnel; and
- discusses the relationship between the policy and Company performance.

The Remuneration Report is available within the Directors' Report in the Company's 2014 Annual Report (which will be made available on the Pryme website, under "Announcements and Reports" and then "Annual Reports").

The Chairman will give Shareholders a reasonable opportunity to ask questions about or make comments on the Report.

Resolution 2 is an advisory resolution only (as stipulated by Section 250R(3) of the Corporations Act) and does not bind the Directors or the Company.


A voting exclusion statement is set out under Resolution 2 in the Notice of Meeting.


*The Directors abstain, in the interests of corporate governance, from making a recommendation in relation to this Resolution.*

**LODGE YOUR VOTE**

 **BY MAIL**  
Pryme Energy Limited  
C/- Link Market Services Limited  
Locked Bag A14  
Sydney South NSW 1235 Australia

 **BY FAX**  
+61 2 9287 0309

 **BY HAND**  
Link Market Services Limited  
1A Homebush Bay Drive, Rhodes NSW 2138; or  
Level 12, 680 George Street, Sydney NSW 2000

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

**PROXY FORM**

I/We being a member(s) of Pryme Energy Limited and entitled to attend and vote hereby appoint:

**APPOINT A PROXY**

**the Chairman of the Meeting (mark box)** **OR** if you are **NOT** appointing the Chairman of the Meeting as your proxy, please write the name of the person or body corporate you are appointing as your proxy

or failing the person or body corporate named, or if no person or body corporate is named, the Chairman of the Meeting, as my/our proxy to act on my/our behalf (including to vote in accordance with the following directions or, if no directions have been given and to the extent permitted by the law, as the proxy sees fit) at the Annual General Meeting of the Company to be held at **11:00am on Wednesday, 22 April 2015 at Link Market Services, Level 15, 324 Queen Street, Brisbane QLD 4000 (the Meeting)** and at any postponement or adjournment of the Meeting.

**Important for Resolution 2:** If the Chairman of the Meeting is your proxy, either by appointment or by default, and you have not indicated your voting intention below, you expressly authorise the Chairman of the Meeting to exercise the proxy in respect of Resolution 2, even though the Resolution is connected directly or indirectly with the remuneration of a member of Key Management Personnel (**KMP**).


**The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business.**

**VOTING DIRECTIONS**

**Proxies will only be valid and accepted by the Company if they are signed and received no later than 48 hours before the Meeting. Please read the voting instructions overleaf before marking any boxes with an .**

**Resolutions**

	For	Against	Abstain*
1 Re-election of Director – Mr Greg Short	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

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

**SIGNATURE OF SHAREHOLDERS – THIS MUST BE COMPLETED**

Shareholder 1 (Individual)	Joint Shareholder 2 (Individual)	Joint Shareholder 3 (Individual)
<input type="text"/>	<input type="text"/>	<input type="text"/>
Sole Director and Sole Company Secretary	Director/Company Secretary (Delete one)	Director

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



STEP 1

STEP 2

STEP 3

## HOW TO COMPLETE THIS SHAREHOLDER PROXY FORM

### YOUR NAME AND ADDRESS

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

### APPOINTMENT OF PROXY

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box in Step 1. If you wish to appoint someone other than the Chairman of the Meeting as your proxy, please write the name of that individual or body corporate in Step 1. A proxy need not be a security holder of the Company.

### DEFAULT TO CHAIRMAN OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chairman of the Meeting, who is required to vote those proxies as directed. Any undirected proxies that default to the Chairman of the Meeting will be voted according to the instructions set out in this Proxy Form, including where the Resolution is connected directly or indirectly with the remuneration of KMP.

### VOTES ON ITEMS OF BUSINESS – PROXY APPOINTMENT

You may direct your proxy how to vote by placing a mark in one of the boxes opposite each item of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the items of business, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

### APPOINTMENT OF A SECOND PROXY

You are entitled to appoint up to two persons as proxies to attend the Meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the Company's share registry or you may copy this form and return them both together.

To appoint a second proxy you must:

- (a) on each of the first Proxy Form and the second Proxy Form state the percentage of your voting rights or number of shares applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded; and
- (b) return both forms together.

### SIGNING INSTRUCTIONS

You must sign this form as follows in the spaces provided:

**Individual:** where the holding is in one name, the holder must sign.

**Joint Holding:** where the holding is in more than one name, either shareholder may sign.

**Power of Attorney:** to sign under Power of Attorney, you must lodge the Power of Attorney with the registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.

**Companies:** where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the *Corporations Act 2001*) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please indicate the office held by signing in the appropriate place.

### CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting the appropriate "Certificate of Appointment of Corporate Representative" should be produced prior to admission in accordance with the Notice of Meeting. A form of the certificate may be obtained from the Company's share registry or online at [www.linkmarketservices.com.au](http://www.linkmarketservices.com.au).

### LODGEMENT OF A PROXY FORM

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below by **11:00am on Monday, 20 April 2015**, being not later than 48 hours before the commencement of the Meeting. Any Proxy Form received after that time will not be valid for the scheduled Meeting.

Proxy Forms may be lodged using the reply paid envelope or:



#### BY MAIL

Pryme Energy Limited  
C/- Link Market Services Limited  
Locked Bag A14  
Sydney South NSW 1235  
Australia



#### BY FAX

+61 2 9287 0309



#### BY HAND

delivering it to Link Market Services Limited\*  
1A Homebush Bay Drive  
Rhodes NSW 2138  
or  
Level 12  
680 George Street  
Sydney NSW 2000

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

**IF YOU WOULD LIKE TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING, PLEASE BRING THIS FORM WITH YOU.  
THIS WILL ASSIST IN REGISTERING YOUR ATTENDANCE.**