



ABN 83 114 061 433

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24 April 2018

ASX Limited

Electronic lodgement

ASX Code: SGC

Dispatch of Notice of AGM

Attached is copy of the Notice of Annual General Meeting, Proxy Form and Explanatory Statement which have today been dispatched to shareholders.

A copy of the Annual Report and Notice of Annual General Meeting will also be available on our website www.sacgasco.com

On behalf of the Board of Directors



SAGGASCO LIMITED

ABN 83 114 061 433

NOTICE OF ANNUAL GENERAL MEETING

PROXY FORM

AND

EXPLANATORY STATEMENT

Date of Meeting

31 May 2018

Time of Meeting

4.00 pm (WST)

Place of Meeting

**Level 1, 31 Cliff Street
Fremantle, Western Australia**

The business of the Meeting affects your shareholding and your vote is important.

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.

SACGASCO LIMITED

ABN 83 114 061 433

NOTICE OF GENERAL MEETING

Notice is hereby given that the Annual General Meeting of shareholders of Sacgasco Limited ("**Company**") will be held at 4:00 pm (WST) on Thursday, 31 May 2018, at Level 1, 31 Cliff Street, Fremantle, Western Australia.

In order to determine voting entitlements, the register of Shareholders will be closed at 4:00 pm (WST) on 30 May 2018.

An Explanatory Statement containing information in relation to each of the Resolutions to be put to the meeting accompanies this Notice.

AGENDA

To consider and, if thought fit, to pass the following Resolutions.

ORDINARY BUSINESS

Financial Statements and Reports

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

Ordinary Resolution 1: Adoption of the 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 purposes of section 250R(2) of the Corporations Act and for all other purposes, approval is given for the adoption of the Remuneration Report contained within the Company's annual financial report for the financial year ended 31 December 2017."

Note 1: The vote on this resolution is advisory only and does not bind the Directors of the Company.

Note 2: If 25% or more of votes that are cast are voted against the adoption of the Remuneration Report at two consecutive annual general meetings, Shareholders will be required to vote at the second of those annual general meetings on a resolution (a "spill resolution") at another meeting to be held within 90 days at which all of the Company's Directors (other than the Managing Director and CEO) must stand for re-election. Less than 25% of shareholders voted against the remuneration report at the 2017 Annual General Meeting.

Voting Prohibition Statement:

A vote on this Resolution 1 must not be cast (in any capacity) by or on behalf of any 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,

(collectively, a "**Prohibited Voter**").

However, a Prohibited Voter may cast a vote on this Resolution 1 as a proxy if the vote is not cast on behalf of a person described above and either:

- (a) the Prohibited Voter is appointed as a proxy by writing that specifies the way the proxy is to vote on the Resolution; or

- (b) the Prohibited 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 if the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel for the Company, or if the Company is part of a consolidated entity, for the entity.

Ordinary Resolution 2: Re-election of Director – Philip Haydn-Slater

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

“That Philip Haydn-Slater, a Director, retires by rotation in accordance with clause 14.6 of the Company’s constitution, ASX Listing Rule 14.4 and for all other purposes, and being eligible is re-elected as a Director.”

Ordinary Resolution 3: Approval of 10% Placement Capacity

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

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

Voting Exclusion: The Company will disregard any votes cast in favour of this Resolution by any person who may participate in the issue of Equity Securities under this Resolution and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if the Resolution is passed and any associates of 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.

Important note: The proposed recipients of any Equity Securities under the 10% Placement Capacity are not as yet known or identified. In these circumstances (and in accordance with the note set out in ASX Listing Rule 14.11.1 relating to ASX Listing Rules 7.1 and 7.1A), for a person’s vote to be excluded, it must be known that that person will participate in the proposed issue. Where it is not known who will participate in the proposed issue (as is the case in respect of any Equity Securities issued under the 10% Placement Capacity), Shareholders must consider the proposal on the basis that they may or may not get a benefit and that it is possible that their holding will be diluted, and there is no reason to exclude their votes.

Ordinary Resolution 4: Ratification of Issue of Shares – 13 July 2017 Placement

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

“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 10,000,000 fully paid ordinary shares on the terms set out in the Explanatory Statement.”

Voting Exclusion Statement: The Company will disregard any votes cast in favour of Resolution 4 by any persons who participated in the issue and any associates of those persons. However, the Company need not disregard a vote if cast by a person as proxy for a person who is entitled to vote, in accordance with the directions of the proxy form or 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.

Ordinary Resolution 5: Ratification of Issue of Shares – 13 July 2017 Consulting Fees

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

“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 409,852 fully paid ordinary shares on the terms set out in the Explanatory Statement.”

Voting Exclusion Statement: The Company will disregard any votes cast in favour of Resolution 5 by any persons who participated in the issue and any associates of those persons. However, the Company need not disregard a vote if cast by a person as proxy for a person who is entitled to vote, in accordance with the directions of the proxy form or 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.

Ordinary Resolution 6: Ratification of Issue of Shares – 13 September 2017 Placement- Listing Rule 7.1

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

“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 20,030,291 fully paid ordinary shares on the terms set out in the Explanatory Statement.”

Voting Exclusion Statement: The Company will disregard any votes cast in favour of Resolution 6 by any persons who participated in the issue and any associates of those persons. However, the Company need not disregard a vote if cast by a person as proxy for a person who is entitled to vote, in accordance with the directions of the proxy form or 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.

Ordinary Resolution 7: Ratification of Issue of Shares – 13 September 2017 Placement- Listing Rule 7.1A

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

“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 8,713,789 fully paid ordinary shares on the terms set out in the Explanatory Statement.”

Voting Exclusion Statement: The Company will disregard any votes cast in favour of Resolution 7 by any persons who participated in the issue and any associates of those persons. However, the Company need not disregard a vote if cast by a person as proxy for a person who is entitled to vote, in accordance with the directions of the proxy form or 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.

Ordinary Resolution 8: Ratification of Issue of Shares – 9 October 2017 Consulting Fees

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

“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 551,389 fully paid ordinary shares on the terms set out in the Explanatory Statement.”

Voting Exclusion Statement: The Company will disregard any votes cast in favour of Resolution 8 by any persons who participated in the issue and any associates of those persons. However, the Company need not disregard a vote if cast by a person as proxy for a person who is entitled to vote, in accordance with the directions of the proxy form or 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.

Ordinary Resolution 9: Ratification of Issue of Shares – 10 January 2018 Consulting Fees

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

“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 155,858 fully paid ordinary shares on the terms set out in the Explanatory Statement.”

Voting Exclusion Statement: The Company will disregard any votes cast in favour of this Resolution 9 by any persons who participated in the issue and any associates of those persons. However, the Company need not disregard a vote if cast by a person as proxy for a person who is entitled to vote, in accordance with the directions of the proxy form or 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.

Ordinary Resolution 10: Approval of Issue of Shares to Director under Incentive Share Plan - Philip Haydn-Slater

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

“That, for the purposes of ASX Listing Rule 10.14 and for all other purposes, approval is given for the Directors to issue Plan Shares to Philip Haydn-Slater or his nominee pursuant to the Company’s Incentive Share Plan, on terms and conditions set out in the Explanatory Statement.”

Voting Exclusion Statement: The Company will disregard any votes cast in favour of this Resolution by a Director of the Company (except one who is ineligible to participate in any incentive scheme of the Company) and any associate of that person. However, the Company need not disregard a vote if it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form, or 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.

Voting Prohibition Statement: A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- (a) the proxy is either:
 - (i) a member of the Key Management Personnel; or
 - (ii) a Closely Related Party of such a member; and
- (b) the appointment does not specify the way the proxy is to vote on this Resolution.

However, the above prohibition does not apply if:

- (c) the proxy is the Chair of the Meeting; and
- (d) the appointment expressly authorises the Chair to exercise the proxy even if the Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

Ordinary Resolution 11: Approval of Issue of Shares to Director under Incentive Share Plan - Mr Gary Jeffery

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

“That, for the purposes of ASX Listing Rule 10.14 and for all other purposes, approval is given for the Directors to issue Plan Shares to Mr Gary Jeffery or his nominee pursuant to the Company’s Incentive Share Plan, on terms and conditions set out in the Explanatory Statement.”

Voting Exclusion Statement: The Company will disregard any votes cast in favour of this Resolution by a Director of the Company (except one who is ineligible to participate in any incentive scheme of the Company) and any associate of that person. However, the Company need not disregard a vote if it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form, or 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.

Voting Prohibition Statement: A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- (a) the proxy is either:
 - (i) a member of the Key Management Personnel; or
 - (ii) a Closely Related Party of such a member; and
- (b) the appointment does not specify the way the proxy is to vote on this Resolution.

However, the above prohibition does not apply if:

- (c) the proxy is the Chair of the Meeting; and
- (d) the appointment expressly authorises the Chair to exercise the proxy even if the Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

Ordinary Resolution 12: Approval of Issue of Shares to Director under Incentive Share Plan - Mr Andrew Childs

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

“That, for the purposes of ASX Listing Rule 10.14 and for all other purposes, approval is given for the Directors to issue Plan Shares to Mr Andrew Childs or his nominee pursuant to the Company’s Incentive Share Plan, on terms and conditions set out in the Explanatory Statement.”

Voting Exclusion Statement: The Company will disregard any votes cast in favour of this Resolution by a Director of the Company (except one who is ineligible to participate in any incentive scheme of the Company) and any associate of that person. However, the Company need not disregard a vote if it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form, or 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.

Voting Prohibition Statement: A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- (a) the proxy is either:
 - (i) a member of the Key Management Personnel; or
 - (ii) a Closely Related Party of such a member; and
- (b) the appointment does not specify the way the proxy is to vote on this Resolution.

However, the above prohibition does not apply if:

- (c) the proxy is the Chair of the Meeting; and
- (d) the appointment expressly authorises the Chair to exercise the proxy even if the Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

By Order of the Board



D M McARTHUR
Company Secretary

Dated: 12 April 2018

ENTITLEMENT TO ATTEND AND VOTE

The Company may specify a time, not more than 48 hours before the Meeting, at which a “snap-shot” of Shareholders will be taken for the purposes of determining Shareholder entitlements to vote at the Annual General Meeting.

The Company’s Directors have determined that all Shares of the Company that are quoted on ASX at 4:00 pm (WST) on 30 May 2018 shall, for the purposes of determining voting entitlements at the Annual General Meeting, be taken to be held by the persons registered as holding the Shares at that time.

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:

- (a) each Shareholder has a right to appoint a proxy;
- (b) the proxy need not be a member of the Company; and
- (c) a Shareholder who is entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the member appoints two 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.

The enclosed Proxy Form provides further details on appointing proxies and lodging Proxy Forms.

CORPORATE REPRESENTATIVE

A Shareholder that is a corporation may appoint an individual to act as its corporate representative to vote at the Meeting in accordance with section 250D of the Corporations Act. Any corporation wishing to appoint an individual to act as its representative at the Meeting should provide that person with a certificate or letter executed in accordance with the Corporations Act authorising him or her to act as that company’s representative. The authority may be sent to the Company and/or Share Registry in advance of the Meeting or handed in at the Meeting when registering as a corporate representative. A ‘Certificate of Appointment of Corporate Representative’ is enclosed if required.

ENQUIRIES

Shareholders are invited to contact the Company Secretary, Mr David McArthur on +61 8 9435 3200 if they have any queries in respect of the matters set out in this document.

SACGASCO LIMITED

ABN 83 114 061 433

EXPLANATORY STATEMENT

This Explanatory Statement is intended to provide Shareholders with sufficient information to assess the merits of the Resolutions contained in the accompanying Notice of Annual General Meeting (“**Notice**”) of the Company.

The Directors of the Company (“**Directors**”) recommend Shareholders read this Explanatory Statement in full before making any decision in relation to the Resolutions.

The following information should be noted in respect of the various matters contained in the accompanying Notice.

FINANCIAL STATEMENTS AND REPORTS

The business of the Annual General 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.

A copy of the Company’s 2017 Annual Report is available on the Company’s ASX platform (ASX: SGC) and on the website www.sacgasco.com. Alternatively, a hard copy will be made available upon request.

The Company’s auditor, HLB Mann Judd, will be present at the Annual General Meeting and Shareholders will have the opportunity to ask the auditor questions in relation to the conduct of the audit, the auditor’s report, the Company’s accounting policies, and the independence of the auditor.

In addition to taking questions at the Meeting, written questions to the Chair about the management of the Company, or to the Company’s auditor about:

- (a) the preparation and content of the auditor’s report;
- (b) the conduct of the audit;
- (c) accounting policies adopted by the Company in relation to the preparation of the Annual Financial Statements; and
- (d) the independence of the auditor in relation to the conduct of the audit,

may be submitted no later than 5 business days before the meeting date to the Company Secretary.

ORDINARY RESOLUTION 1: Adoption of Remuneration Report

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 Directors or 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.

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 most recent 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.

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.

Proxy restrictions

Shareholders appointing a proxy for Resolution 1 should note the following:

(a) ***If you appoint a member of the Key Management Personnel (other than the Chair) as your proxy***

If you elect to 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 that member, ***you must direct the proxy how they are to vote***. 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.

(b) ***If you appoint the Chair as your proxy***

If you elect to appoint the Chair where he/ she is also a member of the Key Management Personnel whose remunerations details are included in the Remuneration Report, or a Closely Related Party of such a member, ***you must direct the Chair how they are to vote***. Undirected proxies granted to these persons will be voted in favour of all Resolutions.

(c) ***If you appoint any other person as your proxy***

You ***do not*** need to direct your proxy how to vote, and you ***do not*** need to tick any further acknowledgement on the Proxy Form. Undirected proxies granted to these persons will be voted at their discretion.

ORDINARY RESOLUTION 2: Re-election of Director – Philip Haydn-Slater

ASX Listing Rule 14.4 provides that a director of an entity must not hold office (without re-election) past the third annual general meeting following the director's appointment or 3 years, whichever is longer.

Clause 14.6 of the Company's Constitution requires that at every Annual General Meeting of the Company one-third of the Directors (rounded up to the nearest whole number) shall retire from office. The Directors to retire are those who have been longest in office since their last election. A Director who retires by rotation under clause 7.3(a) is eligible for re-election.

The Company currently has 3 Directors and accordingly 1 must retire.

Philip Haydn-Slater, the Director longest in office since his last election, retires by rotation and seeks re-election as a Director.

Information about Mr Haydn-Slater is set out in the Company's 2017 Annual Report.

The Board unanimously supports the re-election of Mr Haydn-Slater.

SPECIAL RESOLUTION 3: Approval of 10% Placement Capacity - Shares

General

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

The Company is an Eligible Entity.

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

The effect of Resolution 3 will be to allow the Directors to issue Equity Securities up to 10% of the Company's fully paid ordinary securities on issue under the 10% Placement Capacity during the period up to 12 months after the Meeting, without subsequent Shareholder approval and without using the Company's 15% annual placement capacity granted under Listing Rule 7.1.

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

ASX Listing Rule 7.1A

ASX Listing Rule 7.1A came into effect on 1 August 2012 and enables an Eligible Entity to seek shareholder approval at its annual general meeting to issue Equity Securities in addition to those under the Eligible Entity's 15% annual placement capacity.

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.

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 approximately \$18.84 million.

Any Equity Securities issued must be in the same class as an existing class of quoted Equity Securities. The Company currently has one class of quoted Equity Securities on issue, being the Shares (ASX Code: SGC)

The exact number of Equity Securities that the Company may issue under an approval under Listing Rule 7.1A will be calculated according to the following formula:

$$(A \times B) - C$$

Where:

- A is the number of Shares on issue 12 months before the date of issue or agreement:
 - (i) plus the number of Shares issued in the previous 12 months under an exception in ASX Listing Rule 7.2;
 - (ii) plus the number of partly paid shares that became fully paid in the previous 12 months;

- (iii) plus the number of Shares issued in the previous 12 months with approval of holders of Shares under Listing Rules 7.1 and 7.4.; and
 - (iv) less the number of Shares cancelled in the previous 12 months.
- B is 10%.
- C is the number of Equity Securities issued or agreed to be issued under ASX Listing Rule 7.1A.2 in the 12 months before the date of issue or agreement to issue that are not issued with the approval of holders of Ordinary Securities under ASX Listing Rule 7.1 or 7.4.

Technical information required by ASX Listing Rule 7.1A

Pursuant to and in accordance with ASX Listing Rule 7.1A, 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 above, 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).

(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 on the basis of the current market price of Shares and the current number of Equity Securities on issue as at the date of this Notice.

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.

Variable "A"		<u>DILUTION</u>		
		\$0.038 50% decrease in Issue Price	\$0.075 Issue price	\$0.15 100% increase in Issue Price
Current Variable A	10% Voting Dilution			
244,783,015 Shares		24,478,302	24,478,302	24,478,302
	Funds Raised	\$930,175	\$1,835,873	\$3,671,745
50% Increase in Current Variable A	10% Voting Dilution			
367,174,523 Shares		36,717,452	36,717,452	36,717,452
	Funds Raised	\$1,395,263	\$2,753,809	\$5,507,618
100% Increase in Current Variable A	10% Voting Dilution			
489,566,030 Shares		48,956,603	48,956,603	48,956,603
	Funds Raised	\$1,860,351	\$3,671,745	\$7,343,490

* 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:

- (a) The current shares on issue are the Shares on issue as at 4 April 2018;
- (b) No options are exercised into Shares before the date of issue of the Equity Securities;
- (c) The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. That is why the voting dilution is shown in each example as 10%;
- (d) The issue price set out above is the closing price of the Shares on the ASX on 4 April 2018;
- (e) The Company issues the maximum possible number of Equity Securities under the 10% Placement Capacity;
- (f) 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;
- (g) 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; and
- (h) This table does not set out any dilution pursuant to approvals under ASX Listing Rule 7.1.

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 may use funds raised for the acquisition of new resources, assets and investments (including expenses associated with such an acquisition), continued exploration expenditure on the Company's current assets and general working capital; or
- (ii) as non-cash consideration for the acquisition of new resources, assets and investments in which 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 under the 10% Placement Capacity**

The Company's allocation policy for the issue of Equity Securities under the 10% Placement Capacity will be dependent on the prevailing market conditions at the time of the proposed placement(s).

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 obtained approval under Listing Rule 7.1A on 31 May 2017. The Company has issued 8,713,789 Equity Securities pursuant to Listing Rule 7.1A in the 12 months preceding the date of the Annual General Meeting.

As the Company has previously sought shareholder approval for the additional placement capacity under Listing Rule 7.1A, the following information is provided in relation to all issues of equity securities in the 12 months prior to the date of the Annual General Meeting, pursuant to the requirements of Listing Rule 7.3A6(a) and 7.3A6(b):

A total of 47,476,608 ordinary shares and 5,000,000 options have been issued representing 22.62% of the equity securities on issue at the commencement of the 12 month period preceding the date of the Annual General Meeting.

Date of Issue: 14/06/17

Number issued: 4,000,000 Shares and 5,000,000 Options
 Class: Fully paid ordinary and options
 Terms: Issue to Directors
 Name of applicants: Directors - Per appendix 3Ys lodged
 Price: 4 cents per share, options issued for no consideration
 Discount to market: 42.8%
 Total cash received: Nil. Repayment of Director loan & Director incentive plan.
 Intended use of cash: N/A
 Option Value at date of notice: \$143,168 (Appendix 1)

Date of Issue: 13/07/17

Number issued: 10,000,000 Shares
 Class: Fully paid ordinary
 Terms: Placement to sophisticated investors
 Name of applicants: Various
 Price: 9 cents per share
 Discount to market: 5.2%
 Total cash received: \$900,000
 Intended use of cash: Working capital. No funds unused.

Date of Issue: 13/07/17

Number issued: 527,740
 Class: Fully paid ordinary
 Terms: Issue to Directors
 Name of applicants: Directors – Per appendix 3Ys lodged
 Price: 8.2 cents per share
 Discount to market: 13.7%
 Share value at date of notice: \$39,580
 Total cash received: Nil - satisfaction of Director fees
 Intended use of cash: N/A

Date of Issue: 13/07/17

Number issued: 409,852
 Class: Fully paid ordinary
 Terms: Issue to Consultants
 Name of applicants: Consultants
 Price: 7.1 cents per share
 Discount to market: 25.86%
 Share value at date of notice: \$30,738
 Total cash received: Nil - payment of consulting costs
 Intended use of cash: N/A

Date of Issue: 13/07/17

Number issued: 1,100,000
 Class: Fully paid ordinary
 Terms: Conversion of options
 Name of applicants: Various
 Price: 3 cents per share for option conversion.
 Discount to market: N/A
 Total cash received: \$33,000
 Intended use of cash: Working capital. No funds unused.

Date of Issue: 13/09/17

Number issued: 28,744,080
 Class: Fully paid ordinary
 Terms: Placement to sophisticated investors
 Name of applicants: Various
 Price: 8.5 cents per share

Discount to market: 48.5%
Total cash received: \$2,443,247
Intended use of cash: Progression of drilling, permitting, leasing and maintenance.
\$2,015,000 used.

Date of Issue: 09/10/17
Number issued: 260,416
Class: Fully paid ordinary
Terms: Issue to Directors
Name of applicants: Directors – Per appendix 3Ys lodged
Price: 14.4 cents per share
Discount to market: 12.7%
Total cash received: Nil – satisfaction of Director fees
Share value at date of notice: \$19,531
Intended use of cash: N/A

Date of Issue: 09/10/17
Number issued: 551,389
Class: Fully paid ordinary
Terms: Issue to Consultants
Name of applicants: Consultants
Price: 16.7 cents per share
Premium to market: 1.2%
Total cash received: Nil – satisfaction of Consulting fees
Share value at date of notice: \$41,354
Intended use of cash: N/A

Date of Issue: 09/10/17
Number issued: 1,000,000
Class: Fully paid ordinary
Terms: Conversion of options
Name of applicants: Various
Price: 10 cents per share for option conversion.
Discount to market: N/A
Total cash received: \$100,000
Intended use of cash: Working capital. None expended.

Date of Issue: 10/01/18
Number issued: 227,273
Class: Fully paid ordinary
Terms: Issue to Directors
Name of applicants: Directors – Per appendix 3Ys lodged
Price: 16.5 cents per share
Premium to market: 83.4%
Total cash received: Nil – satisfaction of Director fees
Share value at date of notice: \$17,045
Intended use of cash: N/A

Date of Issue: 10/01/18
Number issued: 155,858
Class: Fully paid ordinary
Terms: Issue to Consultants
Name of applicants: Consultants
Price: 16.5 cents per share
Premium to market: 83.4%
Total cash received: Nil – satisfaction of Consulting fees
Share value at date of notice: \$11,689
Intended use of cash: N/A

Date of Issue:	10/01/18
Number issued:	500,000
Class:	Fully paid ordinary
Terms:	Conversion of options
Name of applicants:	Various
Price:	15 cents per share for option conversion.
Discount to market:	N/A
Total cash received:	\$75,000
Intended use of cash	Working capital. None expended.

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.

ORDINARY RESOLUTION 4: Ratification of Issue of Shares – 13 July 2017 Placement

As announced to ASX on 13 July 2017, the Company placed 10,000,000 Shares at \$0.09 per Share to raise \$900,000 before costs (**Placement**).

ASX Listing Rule 7.1 provides that the Company must not issue or agree to issue, subject to specified exceptions, during any 12 month period any equity securities which, when aggregated with the number of other securities issued within that 12 month period exceeds 15% of the number of ordinary shares on issue at the beginning of that 12 month period, unless the issue falls within one of the nominated exceptions, or the prior approval of members of the Company at a general meeting is obtained.

ASX Listing Rule 7.1A provides that the Company can issue a further 10% of the number of ordinary shares at the beginning of the 12 month period under Listing Rule 7.1.

The Placement was made as follows:

Listing Rule 7.1 – 10,000,000 Shares

Listing Rule 7.4 provides an issue made within the 15% limit will be treated as having been made with the approval of shareholders under Listing Rule 7.1 if subsequently approved by shareholders, thereby 'refreshing' the Company's ability to issue shares within the 15% limit, and restoring the Company's ability to make placements within those limits (if that is thought desirable) without the need for shareholder approval.

While the Shares described in this Resolution 4 have been issued within the 15% limit, the Company seeks Shareholder ratification of the issue of those Shares for the purpose of Listing Rule 7.4 so that the Company's ability to issue securities will be refreshed and it will have the flexibility to issue further securities should the need or opportunity arise.

In accordance with the requirements of Listing Rule 7.5, the following information is provided to Shareholders to allow them to assess the ratification of the issue of the Shares the subject of this Resolution 4:

- (a) the total number of shares issued by the Company was 10,000,000;
 - (b) the shares were issued for \$0.09 per Share;
 - (c) the shares issued rank pari passu with the Company's existing Shares;
 - (d) the shares were issued to numerous sophisticated investors, none of whom were related parties of the Company; and
 - (e) the funds raised under the Placement will be used for working capital purposes.
-

ORDINARY RESOLUTION 5: Ratification of Issue of Shares – 13 July 2017 Consulting Fees

As announced to ASX on 13 July 2017, the Company placed 409,852 Shares at \$0.071 per Share as payment for consulting services rendered to the Company (**Consulting Fees**).

ASX Listing Rule 7.1 provides that the Company must not issue or agree to issue, subject to specified exceptions, during any 12 month period any equity securities which, when aggregated with the number of other securities issued within that 12 month period exceeds 15% of the number of ordinary shares on issue at the beginning of that 12 month period, unless the issue falls within one of the nominated exceptions, or the prior approval of members of the Company at a general meeting is obtained.

ASX Listing Rule 7.1A provides that the Company can issue a further 10% of the number of ordinary shares at the beginning of the 12 month period under Listing Rule 7.1.

The Placement was made as follows:

Listing Rule 7.1 – 409,852 Shares

Listing Rule 7.4 provides an issue made within the 15% limit will be treated as having been made with the approval of shareholders under Listing Rule 7.1 if subsequently approved by shareholders, thereby 'refreshing' the Company's ability to issue shares within the 15% limit, and restoring the Company's ability to make placements within those limits (if that is thought desirable) without the need for shareholder approval.

While the Shares described in this Resolution 5 have been issued within the 15% limit, the Company seeks Shareholder ratification of the issue of those Shares for the purpose of Listing Rule 7.4 so that the Company's ability to issue securities will be refreshed and it will have the flexibility to issue further securities should the need or opportunity arise.

In accordance with the requirements of Listing Rule 7.5, the following information is provided to Shareholders to allow them to assess the ratification of the issue of the Shares the subject of this Resolution 5:

- (a) the total number of shares issued by the Company was 409,852;
- (b) the shares were issued for \$0.071 per Share;
- (c) the shares issued rank pari passu with the Company's existing Shares; and
- (d) the shares were issued to two professional consulting practices, none of whom were related parties of the Company.

ORDINARY RESOLUTIONS 6 and 7: Ratification of Issue of Shares – 13 September 2017 Placement

As announced to ASX on 13 September 2017, the Company placed 28,744,080 Shares at \$0.085 per Share to raise \$2,443,247 before costs (**Placement**).

ASX Listing Rule 7.1 provides that the Company must not issue or agree to issue, subject to specified exceptions, during any 12 month period any equity securities which, when aggregated with the number of other securities issued within that 12 month period exceeds 15% of the number of ordinary shares on issue at the beginning of that 12 month period, unless the issue falls within one of the nominated exceptions, or the prior approval of members of the Company at a general meeting is obtained.

ASX Listing Rule 7.1A provides that the Company can issue a further 10% of the number of ordinary shares at the beginning of the 12 month period under Listing Rule 7.1.

The Placement was made as follows:

Listing Rule 7.1 – 20,030,291 Shares

Listing Rule 7.1A – 8,713,789 Shares

Listing Rule 7.4 provides an issue made within the 15% limit or the 10% limit will be treated as having been made with the approval of shareholders under Listing Rule 7.1 and Listing Rule 7.1A if subsequently approved by shareholders, thereby 'refreshing' the Company's ability to issue shares within the 15% limit and the 10% limit, and restoring the Company's ability to make placements within those limits (if that is thought desirable) without the need for shareholder approval.

While the Shares described in Resolutions 6 and 7 have been issued within the 15% limit and the 10% limit, the Company seeks Shareholder ratification of the issue of those Shares for the purpose of Listing Rule 7.4 so that the Company's ability to issue securities will be refreshed and it will have the flexibility to issue further securities should the need or opportunity arise.

In accordance with the requirements of Listing Rule 7.5, the following information is provided to Shareholders to allow them to assess the ratification of the issue of the Shares the subject of Resolutions 6 and 7:

- (a) the total number of shares issued by the Company was 28,744,080- LR 7.1- 20,030,291
- LR 7.1A- 8,713,789
- (b) the shares were issued for \$0.085 per Share;
- (c) the shares issued rank pari passu with the Company's existing Shares;
- (d) the shares were issued to numerous sophisticated investors, none of whom were related parties of the Company; and
- (e) the funds raised under the Placement will be used for working capital purposes.

ORDINARY RESOLUTION 8: Ratification of Issue of Shares – 9 October 2017 Consulting Fees

As announced to ASX on 9 October 2017, the Company placed 551,389 Shares at \$0.167 per Share as payment for consulting services rendered to the Company (**Consulting Fees**).

ASX Listing Rule 7.1 provides that the Company must not issue or agree to issue, subject to specified exceptions, during any 12 month period any equity securities which, when aggregated with the number of other securities issued within that 12 month period exceeds 15% of the number of ordinary shares on issue at the beginning of that 12 month period, unless the issue falls within one of the nominated exceptions, or the prior approval of members of the Company at a general meeting is obtained.

The Placement was made as follows:

Listing Rule 7.1 – 551,389 Shares

Listing Rule 7.4 provides an issue made within the 15% limit will be treated as having been made with the approval of shareholders under Listing Rule 7.1 and Listing Rule 7.1A if subsequently approved by shareholders, thereby 'refreshing' the Company's ability to issue shares within the 15% limit, and restoring the Company's ability to make placements within those limits (if that is thought desirable) without the need for shareholder approval.

While the Shares described in this Resolution 8 have been issued within the 15% limit, the Company seeks Shareholder ratification of the issue of those Shares for the purpose of Listing Rule 7.4 so that the Company's ability to issue securities will be refreshed and it will have the flexibility to issue further securities should the need or opportunity arise.

In accordance with the requirements of Listing Rule 7.5, the following information is provided to Shareholders to allow them to assess the ratification of the issue of the Shares the subject of this Resolution 8:

- (a) the total number of shares issued by the Company was 551,389;
- (b) the shares were issued for \$0.167 per Share;
- (c) the shares issued rank pari passu with the Company's existing Shares; and
- (d) the shares were issued to two professional consulting practices, none of whom were related parties of the Company.

ORDINARY RESOLUTION 9: Ratification of Issue of Shares – 10 January 2018 Consulting Fees

As announced to ASX on 10 January 2018, the Company placed 155,858 Shares at \$0.165 per Share as payment for consulting services rendered to the Company (**Consulting Fees**).

ASX Listing Rule 7.1 provides that the Company must not issue or agree to issue, subject to specified exceptions, during any 12 month period any equity securities which, when aggregated with the number of other securities issued within that 12 month period exceeds 15% of the number of ordinary shares on issue at the beginning of that 12 month period, unless the issue falls within one of the nominated exceptions, or the prior approval of members of the Company at a general meeting is obtained.

The Placement was made as follows:

Listing Rule 7.1 – 155,858 Shares

Listing Rule 7.4 provides an issue made within the 15% limit will be treated as having been made with the approval of shareholders under Listing Rule 7.1 and Listing Rule 7.1A if subsequently approved by shareholders, thereby 'refreshing' the Company's ability to issue shares within the 15% limit, and restoring the Company's ability to make placements within those limits (if that is thought desirable) without the need for shareholder approval.

While the Shares described in this Resolution 9 have been issued within the 15% limit, the Company seeks Shareholder ratification of the issue of those Shares for the purpose of Listing Rule 7.4 so that the Company's ability to issue securities will be refreshed and it will have the flexibility to issue further securities should the need or opportunity arise.

In accordance with the requirements of Listing Rule 7.5, the following information is provided to Shareholders to allow them to assess the ratification of the issue of the Shares the subject of this Resolution 9:

- (e) the total number of shares issued by the Company was 155,858;
- (f) the shares were issued for \$0.165 per Share;
- (g) the shares issued rank pari passu with the Company's existing Shares; and
- (h) the shares were issued to two professional consulting practices, none of whom were related parties of the Company.

ORDINARY RESOLUTIONS 10-12: Approval to Issue Shares to a Director under Incentive Share Plan

ASX Listing Rule 10.11 requires Shareholder approval to be obtained where an entity issues, or agrees to issue, securities to a related party, or person whose relationship with the entity or a related party is, in ASX's opinion, such that approval should be obtained unless an exception in ASX Listing Rule 10.12 applies.

An exception to ASX Rule 10.11 is set out in ASX Listing Rule 10.12 (exception 4) which provides that ASX Listing Rule 10.11 does not apply to issue made with the approval of Shareholders under ASX Listing Rule 10.14.

ASX Listing Rule 10.14 provides that an entity must only allow a Director or their associates to acquire securities with approval of Shareholders and provided the Notice of Meeting complies with ASX Listing Rules 10.15 or 10.15A.

The Company is able to issue Shares under its existing Share Plan (**Plan Shares**) to eligible participants over a period of 3 years (commencing May 2017) without impacting on the Company's ability to issue up to 15% of its total ordinary securities without Shareholder approval in any 12 month period. The Listing Rules require, however, that specific approval be obtained for the issue of shares to Directors.

Messrs Jeffery and Childs, directors of the Company, have agreed, subject to shareholder approval, to receive shares for 50% of their Director's fees, and Mr Haydn-Slater has agreed, subject to shareholder approval, to receive shares for 100% of his Directors fees from his date of appointment. Based on fees payable, each Director would receive shares for the following level of fees per annum:

	<u>Total Fees</u>	<u>Fees satisfied by shares</u>
Gary Jeffery	\$200,000	\$100,000
Andrew Child	\$40,000	\$20,000
Philip Haydn-Slater	\$30,000	\$30,000

The shares are to be issued to the above related parties on a quarterly basis, with the issue price to be determined based on the mathematical average of the 5 day VWAP at the commencement and the 5 day VWAP at the end of the respective quarter. The Company has however set a minimum cap on the deemed issue price, being not less than \$0.04. Therefore, the maximum number of Plan Shares the related parties could receive in aggregate in the period up to 12 months from the date of this meeting would be no more than 3,750,000 Plan Shares as follows:

Gary Jeffery	\$100,000 @ \$0.04 =	2,500,000 shares
Andrew Child	\$20,000 @ \$0.04 =	500,000 shares
Philip Haydn-Slater	\$30,000 @ \$0.04 =	750,000 shares

The approval to issue shares to the related parties will be for a period of 12 months from the date of the meeting.

The Directors consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required as the issue of Plan Shares forms part of the reasonable remuneration of the related parties pursuant to section 211 of the Corporations Act.

For the purposes of ASX Listing Rule 10.15, the following information is provided to Shareholders:

- (a) The Shares will be granted to:
 - Mr Haydn-Slater (a Director of the Company), or his nominee
 - Mr Gary Jeffery (a Director of the Company), or his nominee
 - Mr Andrew Childs (a Director of the Company), or his nominee
- (b) the maximum number of Plan Shares that could be issued in aggregate in the period up to 12 months from the date of this meeting would be no more than 3,750,000 Plan Shares (that is the equivalent of \$150,000 at \$0.04 each);
- (c) 1,015,429 shares have been issued to date under the Incentive Share Plan. The shares were issued to the directors noted at (a) above, and the price and quantity issued is detailed at Resolution 3(f) in this explanatory statement.
- (d) The persons covered under Listing Rule 10.14 entitled to participate in the Plan are Messrs Haydn-Slater, Jeffery and Childs;
- (e) The shares will rank equally with shares currently on issue;
- (f) A voting exclusion statement has been included; and
- (g) There are no loans provided to related parties in relation to the acquisition of Shares under the Share Plan.

The Shares will be issued to Messrs Haydn-Slater, Jeffery and Childs (or their nominees) on a quarterly basis and no later than 12 months after the date of the Annual General Meeting.

GLOSSARY

10% Placement Capacity has the meaning given in Resolution 3 of the Explanatory Statement.

Annual General Meeting or **Meeting** means the meeting convened by this Notice.

ASX means ASX Limited (ACN 008 624 691) or the Australian Securities Exchange, as the context requires.

ASX Listing Rules means the Listing Rules of ASX.

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) for the purposes of the definition of 'closely related party' in the Corporations Act.

Company means Sacgasco Limited - **ABN 83 114 061 433**

Directors means the current directors of the Company.

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.

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.

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

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

Shareholder means a holder of a Share.

WST means Australian Western Standard Time (Perth, Western Australia).

SACGASCO LIMITED

ABN 83 114 061 433

APPENDIX 1

Valuation of Options Issued on 14 June 2017

The Company has valued the Options using the Black-Scholes option model and based on the assumptions as set out in the table below, with the Options ascribed a value as follows:

Assumptions:

Value date	4 April 2018
Share price	\$0.075
Exercise price	\$0.15
Term	30 months
Volatility	91.41%
Risk free interest rate	1.66%
Indicative value per Option (cents)	\$0.0286

CERTIFICATE OF APPOINTMENT OF CORPORATE REPRESENTATIVE

Shareholder Details

This is to certify that by a resolution of the directors of:

..... (Company),
Insert name of Shareholder Company

the Company has appointed:

.....,
Insert name of corporate representative

in accordance with the provisions of section 250D of the Corporations Act 2001, to act as the body corporate representative of that Company at an annual general meeting of the members of Sacgasco Limited to be held on 31 May 2018 commencing at 4.00 pm (WST) and at any adjournments of that general meeting.

DATED

Please sign here

Executed by the Company)
in accordance with its constituent documents)
)

.....
Signed by authorised representative

.....
Signed by authorised representative

.....
Name of authorised representative (print)

.....
Name of authorised representative (print)

.....
Position of authorised representative (print)

.....
Position of authorised representative (print)

Instructions for Completion

- Insert name of appointing Shareholder Company and the name or position of the appointee corporate representative (eg "John Smith" or "each director of the Company").
- Execute the Certificate following the procedure required by your Constitution or other constituent documents.
- Print the name and position (eg director) of each authorised company officer who signs this Certificate on behalf of the Company.
- Insert the date of execution where indicated.
- Prior to the Meeting, send or deliver the Certificate to the registered office of Sacgasco Limited at Level 1, 31 Cliff Street, Fremantle WA or fax the Certificate to the registered office at +61 8 64447408

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PROXY FORM

SACGASCO LIMITED

ABN 83 114 061 433

ANNUAL GENERAL MEETING

I/We

of (Address):

being a Member of Sacgasco Limited entitled to attend and vote at the Annual General Meeting, hereby appoint:

Name:

Name of proxy (**Please note:** Leave blank if you have selected the Chair of the Annual General Meeting as your proxy.)

OR the Chair of the Annual General Meeting as your proxy

or failing the person so named or, if no person is named, the Chair of the Annual General Meeting, or the Chair's nominee, to vote in accordance with the following directions or if no directions have been as the proxy sees fit, at the Annual General Meeting to be held at 4.00 pm (WST) on 31 May 2018 at Level 1, 31 Cliff Street, Fremantle, Western Australia, and at any adjournment of that meeting.

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

Voting on Business of the Annual General Meeting

	FOR	AGAINST	ABSTAIN
Ordinary Resolution 1 - Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Ordinary Resolution 2 - Re-election of Director - Philip Haydn-Slater	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Special Resolution 3 - Approval of 10% placement capacity	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Ordinary Resolution 4 - Ratification of prior issue of shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Ordinary Resolution 5 - Ratification of prior issue of shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Ordinary Resolution 6 - Ratification of prior issue of shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Ordinary Resolution 7 - Ratification of prior issue of shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Ordinary Resolution 8 - Ratification of prior issue of shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Ordinary Resolution 9 - Ratification of prior issue of shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Ordinary Resolution 10 - Issue of shares - Philip Haydn-Slater	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Ordinary Resolution 11 - Issue of shares - Gary Jeffery	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Ordinary Resolution 12 - Issue of shares - Andrew Childs	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

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.

If two proxies are being appointed, the proportion of voting rights this proxy represents is _____%.

Signature of Member(s)

Date: _____

Individual or Member 1

Member 2

Member 3

Sole Director / Company Secretary

Director

Director / Company Secretary

Contact Name: _____

Contact Ph (daytime): _____

Instructions for Completing 'Appointment of Proxy' Form

1. **(Changes to Proxy Voting):** Sections 250BB and 250BC of the Corporations Act came into effect on 1 August 2011 and apply to voting by proxy on or after that date. Section 250R(5) of the Corporations Act came into effect on 28 June 2012 and will affect the Chair's votes on undirected proxies. Shareholders and their proxies should be aware of these changes to the Corporations Act, as they will apply to this General Meeting. Broadly, the changes mean that:
 - (a) if proxy holders vote, they must cast all directed proxies as directed;
 - (b) any directed proxies which are not voted will automatically default to the Chair, who must vote the proxies as directed; andFurther details on these changes are set out below.
2. **(Appointing a Proxy):** A member with two or more votes entitled to attend and vote at the General Meeting is entitled to appoint not more than two proxies to attend and vote on a poll on their behalf. The appointment of a second proxy must be done on a separate copy of the Proxy Form. Where more than one proxy is appointed, such proxy must be allocated a proportion of the member's voting rights. If a member appoints two proxies and the appointment does not specify this proportion, each proxy may exercise half the votes. A duly appointed proxy need not be a member of the Company.
3. **(Proxy vote if appointment specifies way to vote):** Section 250BB(1) of the Corporations Act provides that an appointment of a proxy may specify the way the proxy is to vote on a particular resolution and, **if it does:**
 - (a) the proxy need not vote on a show of hands, but if the proxy does so, the proxy must vote that way (i.e. as directed);
 - (b) if the proxy has 2 or more appointments that specify different ways to vote on the resolution – the proxy must not vote on a show of hands;
 - (c) if the proxy is the chair of the meeting at which the resolution is voted on – the proxy must vote on a poll, and must vote that way (i.e. as directed); and
 - (d) if the proxy is not the chair – the proxy need not vote on the poll, but if the proxy does so, the proxy must vote that way (i.e. as directed).
4. **(Transfer of non-chair proxy to chair in certain circumstances):** Section 250BC of the Corporations Act provides that, if:
 - (a) an appointment of a proxy specifies the way the proxy is to vote on a particular resolution at a meeting of the Company's members;
 - (b) the appointed proxy is not the chair of the meeting;
 - (c) at the meeting, a poll is duly demanded on the resolution; and
 - (d) either of the following applies:
 - (i) the proxy is not recorded as attending the meeting;
 - (ii) the proxy does not vote on the resolution,the chair of the meeting is taken, before voting on the resolution closes, to have been appointed as the proxy for the purposes of voting on the resolution at the meeting.
5. **(Signing Instructions):**
 - (a) **(Individual):** Where the holding is in one name, the member must sign.
 - (b) **(Joint Holding):** Where the holding is in more than one name, all of the members should sign.
 - (c) **(Power of Attorney):** If you have not already provided the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.
 - (d) **(Companies):** Where the company has a sole director who is also the sole company secretary, that person must sign. Where the company (pursuant to Section 204A of the Corporations Act) does not have a company secretary, a sole director can also sign alone. Otherwise, a director jointly with either another director or a company secretary must sign. Please sign in the appropriate place to indicate the office held.
6. **(Attending the Meeting):** Completion of a Proxy Form will not prevent individual members from attending the General Meeting in person if they wish. Where a member completes and lodges a valid Proxy Form and attends the General Meeting in person, then the proxy's authority to speak and vote for that member is suspended while the member is present at the General Meeting.
7. **(Voting in person):**
 - (a) A Shareholder that is an individual may attend and vote in person at the Meeting. If you wish to attend the Meeting, please bring the attached proxy form to the Meeting to assist in registering your attendance and number of votes. Please arrive 15 minutes prior to the start of the Meeting to facilitate this registration process.
 - (b) A Shareholder that is a corporation may appoint an individual to act as its representative to vote at the Meeting in accordance with Section 250D of the Corporations Act. The appropriate "Certificate of Appointment of Corporate Representative" should be produced prior to admission. A form of the Certificate is enclosed with this Notice of Meeting
8. **(Return of Proxy Form):** To vote by proxy, please complete and sign the enclosed Proxy Form and return the Proxy Form (and any Power of Attorney under which it is signed):
 - (a) In person to Level 1, 31 Cliff Street, Fremantle, Perth, WA;
 - (b) By mail to PO Box 584, Fremantle, WA, 6959.
 - (c) By Facsimile to +61 8 6444 7408;
 - (d) By scan and email to david.mcarthur@broadwaymgt.com.au

so that it is received at least 48 hours prior to commencement of the General Meeting. Proxy Forms received later than this time will be invalid.