

NOTICE OF ANNUAL GENERAL MEETING AND EXPLANATORY STATEMENT

Date

Friday, 19 November 2021

Time

2.00pm Australian Eastern Daylight Time (AEDT)

Venue

Safety of our shareholders and staff is our paramount concern, and therefore, in line with State Government regulations and ASIC recommendations during the COVID 19 pandemic, we will hold this Annual General Meeting by way of live video conference. There will be no physical meeting.

Shareholders wishing to attend the online meeting need to email the Company at info@jupiterenergy.com.au to register. Your email must include your registered shareholding name and address.

Your vote is important

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

Voting in person

As the Meeting will be held online, voting in person will not apply, and you are encouraged to lodge a proxy vote beforehand.

Voting by proxy

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

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.

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 2021 Annual General Meeting of Shareholders of Jupiter Energy Limited will be held online at 2.00pm Australian Eastern Daylight Time (AEDT), on Friday, 19 November 2021.

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

The Chair of the Meeting will be voting all undirected proxies in favour of the Resolutions.

AGENDA

2021 Financial Statements

To consider and receive the financial statements of the Company for the year ended 30 June 2021, consisting of the Financial Report and the Reports of the Directors and Auditor.

Resolution 1: Remuneration Report

To consider and, if thought fit, to pass the following Resolution as a **non-binding, advisory** ordinary resolution:

“That, the Remuneration Report for the year ended 30 June 2021 is adopted.”

Voting Exclusion: The Company will, in accordance with the requirements of the Corporations Act, disregard any votes cast on Resolution 1 by or on behalf of a member of the Key Management Personnel (KMP’s) named in the Company’s Remuneration Report or that KMP’s Closely Related Parties, unless the vote is as a proxy and is not cast on behalf of such a person and the person:

- (a) is appointed as a proxy by writing that specifies the way the proxy is to vote; or
- (b) is the Chair of the meeting and the appointment of the Chair as proxy 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.

Resolution 2: Election of Mr. Mark Ewing

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

“That **Mr. Mark Ewing**, a Director who was casually appointed on 24 November 2020, retires in accordance with clause 13.4 of the Company’s Constitution and, being eligible offers himself for re-election, is appointed a Director of the Company.”

Resolution 3: Re-Election of Mr. Alexey KruzHKov

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

“That **Mr. Alexey KruzHKov**, a Director who retires in accordance with clause 13.2 of the Company’s Constitution and, being eligible offers himself for re-election, is appointed a Director of the Company.”

Resolution 4: Additional 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, Shareholders approve the issue of Equity Securities totalling up to 10% of the issued capital (at the time of issue), calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 on the terms and conditions set out in the Explanatory Statement.”

The directors believe the Resolutions are in the best interests of the Company and unanimously recommend Shareholders vote in favour of the Resolutions.

A Proxy Form accompanies this Notice.

To be valid, properly completed forms must be received by the Company no later than 2.00pm Australian Eastern Daylight Time (**AEDT**) on Wednesday, 17 November 2021.

By Order of the Board

Geoff Gander
Executive Chairman

Entitlement to Vote

The Directors have determined that pursuant to Regulation 7.11.37 of the Corporations Regulation 2001 (Cth) that the persons eligible to vote at the Annual General Meeting are those who are registered Shareholders of the Company at 7pm AEDT on Wednesday, 17 November 2021.

Terms and abbreviations used in this Notice of Meeting and Explanatory Statement are defined in the Definitions.

Queries

If you have any queries about the meeting, the Resolution to be put to the meeting, how to lodge your proxy vote or register to attend the meeting online, please contact the Company by email at info@jupiterenergy.com.au

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared for the information of Shareholders in connection with the business to be conducted online on Friday, 19 November 2021 at 2.00pm AEDT.

The purpose of this Explanatory Statement is to provide information which the Directors believe to be material to Shareholders in deciding whether to vote for or against the Resolutions in the Notice of Meeting.

Terms used in this Explanatory Statement will, unless the context otherwise requires, have the same meaning as given to them in the Glossary as contained in this Explanatory Statement.

2021 Financial Statements

As required by Section 317 of the Corporations Act, the financial statements of the Company for the year ended 30 June 2021 and the accompanying director's report and auditor's report will be tabled before the Meeting.

Neither the Corporations Act, nor the Company's Constitution, requires a vote on the financial statements. However, Shareholders will be provided an opportunity to ask questions about the financial statements, including conduct of the audit, at the Meeting.

Resolution 1: Remuneration Report

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 of the company.

The Remuneration Report sets out the Company's remuneration arrangements for Key Management Personnel of the Company. The Remuneration Report is part of the Directors' Report contained in the annual financial report of the Company for the financial year ending 30 June 2021. A reasonable opportunity will be provided for discussion of the Remuneration Report at the Annual General Meeting.

Voting consequences

Under the Corporations Act, if at least 25% of the votes cast on a remuneration report resolution are voted against the adoption of the remuneration report in two consecutive Annual General Meetings, the company will be required to put to shareholders a resolution proposing the calling of an Extraordinary General Meeting to consider the appointment of directors of the company at the second Annual General Meeting (Spill Resolution).

If more than 50% of shareholders vote in favour of the Spill Resolution, the company must convene the Extraordinary General 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 financial year ended immediately before the second Annual General Meeting) was approved, other than the executive directors 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 by the shareholders will be the directors of the company.

As less than 25% of the votes cast at the 2020 Annual General Meeting were voted against the adoption of the remuneration report, a Spill Resolution is not relevant for this meeting.

Voting Restrictions

Members of the Key Management Personnel and their proxies and Closely Related Parties are restricted from voting on a resolution put to Shareholders that the Remuneration Report of the Company be adopted. Key Management Personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any Director (whether executive or otherwise) of that entity.

The voting restriction does not apply where:

- (a) The Chairman or any other member of the Key Management Personnel is appointed in writing (by a Shareholder who is not a member of the Key Management Personnel or a Closely Related Party of Key Management Personnel) as a proxy with specific instructions on how to vote on a resolution to adopt the Remuneration Report of the Company; or
- (b) the Chairman is appointed in writing (by a Shareholder who is not Key Management Personnel or a Closely Related Party of Key Management Personnel) as a proxy with no specific instructions on how to vote on a non-binding shareholder vote on remuneration, where the Shareholder provides express authorisation for the Chairman to do so.

Shareholders should be aware that any undirected proxies given to the Chairman will be cast by the Chairman and counted in favour of the Resolutions of this Meeting, including this Resolution 1, subject to compliance with the Corporations Act.

Resolution 2: Election of Mr. Mark Ewing

Clause 13.4 of the Company's Constitution allows for the directors to appoint a person to be a director to fill a casual vacancy or as an addition to the existing directors. Any director so appointed holds office only until the Company's next Annual General Meeting and is then eligible for election but shall not be taken into account in determining the Directors who are to retire by rotation (if any) at that meeting.

Mr. Mark Ewing was appointed as a director at the conclusion of the 2020 AGM held on 24 November 2020 and, being eligible offers himself for re-election. Background on Mr. Ewing is as follows.

Mr. Mark Ewing is an experienced company director and member of the Institute of Company Directors. Mark has had more than 40 years' working with private and public companies in Australia, Asia, UK and the US. He specialises in the provision of corporate advice to SME's and small ASX listed companies, due diligence, capital raisings and business sales.

Mr. Ewing is also a Non-Executive Director of TTA Holdings Limited (ASX: TTA).

The Board unanimously supports the election of Mr. Ewing.

Resolution 3: Re-Election of Mr. Alexey Kruzhkov

Clause 13.2 of the Company's Constitution requires one third of the Directors (rounded upwards) to retire from office at the Company's Annual General Meeting each year, provided always that no Director except a Managing Director hold office for a period in excess of 3 years, or until the third Annual General Meeting following his or her appointment, whichever is the longer. The Directors to retire at an Annual General Meeting are those who have been longest in office since their last election.

Mr. Kruzhkov was last re-elected as a director at the Company's 2018 Annual General Meeting and, being eligible offers himself for re-election. Background on Mr. Kruzhkov is as follows.

Mr. Alexey Kruzhkov holds an Engineering Degree and an MBA and has over 10 years' experience working in the investment industry, focusing primarily on organisations involved in Oil & Gas, Mining and Real Estate. He has served as a Director on the Boards of companies listed in Canada and Norway. He is a board member and part of the executive team of Waterford Investment and Finance Limited and resides in Cyprus. He holds British and Russian citizenships.

The Board unanimously supports the re-election of Mr. Kruzhkov.

Resolution 4: Additional 10% Placement Capacity

Broadly speaking, and subject to a number of exceptions, Listing Rule 7.1 limits the amount of equity securities that a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary securities it had on issue at the start of that period.

Listing Rule 7.1A provides that an Eligible Entity may seek shareholder approval by way of a special resolution passed at its Annual General Meeting to increase this 15% limit by an extra 10% to 25% (**10% Placement Capacity**).

An Eligible Entity means an entity that is not included in the S&P/ASX300 Index and which has a market capitalisation of \$300 million or less. The Company is an eligible entity for these purposes.

Resolution 4 seeks shareholder approval by way of special resolution for the Company to have the additional 10% capacity provided for in Listing Rule 7.1A to issue equity securities without shareholder approval.

If Shareholders approve Resolution 4, 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 Listing Rule 7.1A.2 (as set out below).

The effect of passing Resolution 4 will be to allow the Company to issue Equity Securities up to a combined limit of 25% pursuant to Listing Rules 7.1 and 7.1A without any further shareholder approval. If Resolution 4 is passed the Company will be permitted 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.

ASX Listing Rule Requirements

Resolution 4 is a special resolution. Accordingly, at least 75% of votes cast by Shareholders entitled to vote on the Resolution must be in favour of Resolution 4 for it to be passed.

If Resolution 4 is not passed, the Company will not be able to access the additional 10% capacity to issue equity securities to issue equity securities without shareholder approval provided for in Listing Rule 7.1A and will remain subject to the 15% limit on issuing equity securities without shareholder approval set out in Listing Rule 7.1.

Pursuant to ASX Listing Rule 7.1A.3 the issue price for each security issued under the Additional Placement Capacity will not be less than 75% of the volume weighted average price for securities in that class over the 15 trading days on which trades in that class were recorded immediately before:

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

Equity securities that may be issued under listing rule 7.1A will only be in an existing quoted class of securities and be issued for cash consideration only.

The issue of equity securities under the Additional Placement Capacity may result in voting dilution of existing ordinary shareholders (as shown in the table below). There is also the risk that:

- (a) the market price for equity securities in that class may be significantly lower on the issue date than on the date of the Annual General Meeting; and
- (b) the equity securities may be issued at a price that is at a discount to the market price for those equity securities on the issue date.

Table 1 below shows the dilution of existing Shareholders calculated in accordance with the formula outlined in Listing Rule 7.1A.2 on the basis of the current market price of Shares and the current number of ordinary securities quoted on ASX for variable "A" calculated in accordance with the formula in Listing Rule 7.1A.2 as at the date of this Notice.

The table also shows:

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

Table 1

Number of Shares on Issue	Issue Price (per share)	Dilution		
		\$0.023	\$0.046	\$0.069
		(50% decrease in Issue Price)		(50% increase in Issue Price)
153,377,693	10% voting dilution	15,337,769	15,337,769	15,337,769
(Current)	Funds raised	\$352,769	\$705,537	\$1,058,306
230,066,540	10% voting dilution	23,006,654	23,006,654	23,006,654
(50% increase)	Funds raised	\$529,153	\$1,058,306	\$1,587,459
306,755,386	10% voting dilution	30,675,539	30,675,539	30,675,539
(100% increase)	Funds raised	\$705,537	\$1,411,075	\$2,116,612

The above table is based on the following assumptions:

- (a) The number of shares on issue (Variable "A") is calculated as 153,377,693 being all the fully paid ordinary shares on issue as at the date of this Notice.
- (b) The Company issues the maximum number of equity securities available under the Additional Placement Capacity.
- (c) The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue.
- (d) The table shows only the issue of equity securities under the Additional Placement Capacity and not under Listing Rule 7.1.
- (e) The issue of equity securities under the Additional Placement Capacity includes only Shares.
- (f) The issue price of \$0.046 was the closing price of the Company's shares on ASX on 13 October 2021.

Equity securities under the Additional Placement Capacity may be issued until the earlier of:

- (a) the date that is 12 months after the date of the Annual General Meeting at which the approval is obtained; or
- (b) the time and date of the entity's next Annual General Meeting; or
- (c) the time and date of the approval by ordinary shareholders of a significant change to the Company's activities under ASX Listing Rule 11.1.2 or 11.2.

The Company may only issue equity securities under the Additional Placement Capacity for cash consideration to raise funds for the development of the Company's existing assets, the acquisition of new assets or investments (including assets associated with such acquisition), to repay debt or to fund working capital.

The Company will comply with the disclosure obligations under Listing Rule 7.1A.4 upon issue of any equity securities under the Additional Placement Capacity.

The Company's allocation policy for issues under the Additional Placement Capacity is dependent on prevailing market conditions at the time of any proposed issue. The identity of the allottees of the equity securities will be determined on a case-by-case basis having regard to the factors including but not limited to the following:

- (a) the purpose of the issue;
- (b) the methods of raising funds that are available to the Company, including rights issues or other issues in which existing shareholders may participate;
- (c) the effect of the issue of the equity securities on the control of the Company;
- (d) the financial situation and solvency of the Company;
- (e) prevailing market conditions; and
- (f) advice from the Company's advisors.

As the Company has no current plans to undertake a new capital raising using its additional 10% placement capacity, the allottees under the Additional Placement Capacity have not yet been determined but if such an exercise was undertaken, allottees may include existing substantial

shareholders and/or new shareholders who are not related parties or associates of a related party of the Company.

The Company sought and received shareholder approval under Listing Rule 7.1A at the immediately prior Annual General Meeting held on 24 November 2020 (**Previous Approval**). In the period since that approval, the Company has not issued any equity securities under the Previous Approval or any other purpose.

A voting exclusion statement has not been included in this Notice. As at the date of this Notice, the Company has not approached any particular existing Shareholders to participate in the issue of equity securities under the Additional Placement Capacity. No existing Shareholders' votes will therefore be excluded and hence no voting exclusion in the Notice. As and when the Company issues equity securities pursuant to the Additional Placement Capacity, it will give to ASX a list of the allottees of the equity securities and the number of equity securities allotted to each (not for release to the market), in accordance with Listing Rule 7.1A.4.

Directors Recommendation

The Directors of the Company believe that this Resolution is in the best interests of the Company and unanimously recommend that Shareholders vote in favour of Resolution 4.

Foreign jurisdictions

This Explanatory Statement has been prepared to comply with Australian law and has only been made available to Shareholders.

This Explanatory Statement should not be distributed to anyone other than Shareholders, other than by any Shareholder in receipt of this Explanatory Statement who holds Shares on behalf of a beneficial owner, to that beneficial owner, provided that either that beneficial owner is resident in Australia, or sending this Explanatory Statement to that beneficial owner does not constitute a breach of foreign securities laws.

Failure to comply with such restrictions may find you in violation of applicable securities laws. The distribution of this Explanatory Statement outside Australia may be restricted by law. If you come into possession of this Explanatory Statement, you should observe any such restrictions.

This Explanatory Statement has been prepared having regard to Australian disclosure requirements. These disclosure requirements may be different from those in other countries.

ASX involvement

A copy of the Notice, including this Explanatory Statement has been lodged with ASX, and neither ASX nor any of its officers takes any responsibility for the contents of these documents.

Not investment advice

The information provided in this Explanatory Statement is not financial product advice and has been prepared without taking into account your investment objectives, financial circumstances or particular needs. Accordingly, nothing in this Explanatory Statement should be construed as

a recommendation by the Company, or any associates of the Company, or any other person concerning an investment in the Company.

If you are in doubt as to the course of action you should follow, you should seek advice on the matters contained in this Explanatory Statement from a solicitor, stockbroker, accountant or other professional financial adviser immediately.

No other representation

No person is authorised to give any information or make any representation in connection with the transactions described in this Explanatory Statement, which is not contained in this Explanatory Statement. Any information or representation not contained in this Explanatory Statement may not be relied on as having been authorised by the Company.

Other information

Other than any information already released to ASX by the Company, there is no further information as at the date of this Explanatory Statement known to the Board that is material to the decision of Shareholders on how to vote on the Resolutions that is not set out in this Explanatory Statement.

If any Shareholder is in doubt as to how to vote on the Resolutions or how the Resolutions may affect Shareholders, the Shareholder should seek advice from their solicitor, stockbroker, accountant or other professional financial adviser immediately.

Certain information in this Explanatory Statement is subject to change.

If that information is not materially adverse to Shareholders, it will be updated and made available to you on the Company's website <https://www.jupiterenergy.com.au/> or a copy of any updated information will be provided to you (free of charge) by contacting the Company.

If there is a materially adverse change to the information or a materially adverse omission from this Explanatory Statement, the Company will issue a new or supplementary Explanatory Statement.

Queries

If you have any queries about the meeting, the Resolutions to be put to the meeting, how to lodge your proxy vote or register to attend the meeting online, please email the Company at info@jupiterenergy.com.au

Definitions

In this Notice and the Explanatory Statement:

10% Placement Capacity has the meaning given to that term in the Explanatory Statement.

\$ means Australian dollars.

AEDT means Australian Eastern Daylight Time.

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

Annual Report means the director's report, the annual financial report and auditors report in respect of the financial year ended 30 June 2021.

ASX means ASX Limited ACN 008 624 691, and where the context requires, the Australian Securities Exchange operated by ASX Limited.

Board means the board of Directors of the Company.

Business Day means a day which is not a Saturday or Sunday or a public holiday in Adelaide, South Australia or Melbourne, Victoria.

Chair means the Chair of the Annual General Meeting.

Company means Jupiter Energy Limited ACN 084 918 481.

Constitution means the Company's Constitution, as amended from time to time.

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

Director means a director of the Company.

Explanatory Statement means the explanatory statement attached to the Notice as modified or varied by any supplementary Explanatory Statement issued by the Company from time to time.

Listing Rules means the listing rules of ASX.

Notice means this Notice of Meeting.

Remuneration Report means the remuneration report of the Company outlined in the Annual Report.

Resolution means a resolution proposed to be considered and, if thought fit, to be passed at the Meeting.

Section means a section of the Explanatory Statement.

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

Shareholder means a shareholder of the Company.

Subsidiary has the same meaning as in the Corporations Act.

In this Notice and the Explanatory Statement words importing the singular include the plural and vice versa.
