

**TAMASKA OIL AND GAS LIMITED
ACN 127 735 442**

**NOTICE OF GENERAL MEETING
AND
EXPLANATORY STATEMENT**

For the General Meeting to be held
on 19 September 2019 at 10:00am (WST) at
102 Forrest Street, Cottesloe, Western Australia

This is an important document. Please read it carefully.

If you are unable to attend the Meeting, please complete the proxy form enclosed and return it in accordance with the instructions set out on that form.

TIME AND PLACE OF GENERAL MEETING AND HOW TO VOTE

Venue

The General Meeting of the Company will be held at:

102 Forrest Street
Cottesloe Western Australia 6011

Commencing
10:00am (WST)
19 September 2019

How to Vote

You may vote by attending the Meeting in person, by proxy or authorised representative.

Voting in Person

To vote in person, attend the Meeting on the date and at the place set out above. The Meeting will commence at 10:00am (WST) on 19 September 2019.

Voting by Proxy

To vote by proxy, please complete and sign the enclosed proxy form and return in accordance with the instructions on the proxy form. You may submit your proxy vote online by following the instructions on the proxy form.

Your proxy form must be received not later than 48 hours before the commencement of the Meeting.

TAMASKA OIL AND GAS LIMITED
ACN 127 735 442
NOTICE OF GENERAL MEETING

Notice is hereby given that the General Meeting of the Shareholders of Tamaska Oil and Gas Limited will be held at 102 Forrest Street, Cottesloe, Western Australia at 10:00am (WST) on 19 September 2019 for the purpose of transacting the following business.

The attached Explanatory Statement is provided to supply Shareholders with information to enable Shareholders to make an informed decision regarding the Resolutions set out in this Notice. The Explanatory Statement is to be read in conjunction with this Notice.

AGENDA

RESOLUTION 1 – CONSOLIDATION OF CAPITAL

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

"That, for the purposes of section 254H of the Corporations Act, the Listing Rules and for all other purposes, the issued capital of the Company be consolidated on the basis that every 4 Shares be consolidated into 1 Share with any resulting fraction of a Share rounded up to the next whole number and otherwise on the terms set out in the Explanatory Statement."

RESOLUTION 2 – APPROVAL TO ISSUE SHARES AND PERFORMANCE SHARES TO PARTA ENERGY SHAREHOLDERS

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

"That, subject to Resolutions 3, 4 and 5 being passed, for the purposes of Listing Rule 7.1 and for all other purposes, approval is given after the Consolidation for the Company to issue up to 70,000,000 Shares and 70,000,000 Class A Performance Shares to the Parta Energy Shareholders or their nominees on the terms set out in the Explanatory Statement."

Voting Exclusion: The Company will disregard any votes cast in favour of this Resolution by or on behalf of the Parta Energy Shareholders, or a person who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of those persons. However, the Company need not disregard a vote if:

- (a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- (b) it is cast by the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

RESOLUTION 3 – CREATION OF NEW CLASS OF SECURITIES – PERFORMANCE SHARES

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

"That, subject to Resolutions 2, 4 and 5 being passed, for the purposes of section 246B of the Corporations Act, article 2.3 of the Constitution and for all other purposes, approval is given after the Consolidation for the Company to issue the Class A Performance Shares on the terms set out in the Explanatory Statement."

RESOLUTION 4 – APPOINTMENT OF DIRECTOR – JOSEPH GRAHAM

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

"That, subject to Resolutions 2, 3 and 5 being passed, for the purpose of article 6.2(c) of the Constitution and for all other purposes, Joseph Graham offers himself for appointment, and in the event of Completion, is hereby appointed as a Director of the Company from the date of Completion in accordance with the Constitution."

RESOLUTION 5 – APPOINTMENT OF DIRECTOR – TIM WISE

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

"That, subject to Resolutions 2, 3 and 4 being passed, for the purpose of article 6.2(c) of the Constitution and for all other purposes, Tim Wise offers himself for appointment, and in the event of Completion, is hereby appointed as a Director of the Company from the date of Completion in accordance with the Constitution."

VOTING AND PROXIES

1. A Shareholder of the Company entitled to attend and vote is entitled to appoint not more than two proxies. Where more than one proxy is appointed, each proxy must be appointed to represent a specified proportion of the Shareholder's voting rights. If the Shareholder appoints two proxies and the appointment does not specify this proportion, each proxy may exercise half of the votes. A proxy need not be a Shareholder of the Company.
2. Where a voting exclusion applies, the Company need not disregard a vote if it is cast by the 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.
3. The Chairman will vote undirected proxies on, and in favour of, all the Resolutions.
4. In accordance with Regulation 7.11.37 of the Corporations Act, the Directors have set a date to determine the identity of those entitled to attend and vote at the Meeting. The date is 17 September 2019 at 4.00pm (WST).
5. A proxy form is attached. If required it should be completed, signed and returned to the Company's registered office in accordance with the instructions on that form.

By order of the Board

Ms Sylvia Moss
Company Secretary

Dated: 19 August 2019

TAMASKA OIL AND GAS LIMITED

ACN 127 735 442

EXPLANATORY STATEMENT

This Explanatory Statement is intended to provide Shareholders with sufficient information to assess the merits of the Resolutions contained in this Notice.

The Directors recommend that Shareholders read this Explanatory Statement in full before making any decision in relation to the Resolutions.

1. OVERVIEW

1.1 Background to Parta Energy Transaction

The Company is an oil and gas exploration company with existing non-operator working interests in 2 US projects being an 11.36% working interest in the West Klondike Project and a 12.5% working interest in the Fusselman Project.

Since the rights issue fundraising and associated placement in late 2015, the Company has evaluated a number of projects in the oil and gas sector to seek to create value for Shareholders.

As announced on 16 August 2019, the Company has entered into a transaction to acquire 100% of Parta Energy, which is a special purpose vehicle incorporated to acquire rights to the Parta Licence, an on-shore oil and gas exploration and development licence in Romania.

Parta Energy has rights to the Parta Contract Area by a farmin agreement with ADX Energy and Danube Petroleum Ltd ("**Farmin Agreement**") and a joint operating agreement with ADX Energy ("**JOA**"). By the Farmin Agreement, Parta Energy has a right to farmin to the Parta Contract Area. To complete the farmin Parta Energy will need to pay US\$1,500,000 (of which US\$200,000 has been paid) as sole funding towards an agreed work program and budget intended to fund approximately 100km of 3D seismic. Upon completion of the farmin, Parta Energy will have earned a 50% interest in the Parta Contract Area and a 50% participating interest in the JOA. The JOA will be a participating joint venture with agreed work programs and budgets, with ADX Energy to be the operator. Further details of the Farmin Agreement and JOA are set out in Section 1.2.

The Company is to acquire rights to the Parta Contract Area and the unincorporated joint venture to be formed by purchasing all the Parta Energy shares. By the Share Sale Deed, the Company will purchase all the Parta Energy shares free from encumbrances in consideration of the Company issuing to the Parta Energy Shareholders, at Completion, 70,000,000 Shares and 70,000,000 Class A Performance Shares. These securities will be issued on a post-Consolidation basis. Further details of the Share Sale Deed are set out in Section 1.2.

In addition to the Farmin Agreement and the JOA, Parta Energy is a party to a royalty agreement by which it has an obligation to pay Aviemore Capital Pty Ltd a royalty of 2% of the gross value of Parta Energy's share of production from any area within the Parta Licence or any successor licence.

As part of the Parta Energy Transaction, it is proposed that, at Completion, Joseph Graham (Executive Director) and Tim Wise (Non-Executive Director) will be appointed to the Board and Alexander Parks will resign as a Director. Joseph Graham and Tim Wise are 2 of the

Parta Energy Shareholders. Joseph Graham is an experienced petroleum engineer who has led multi-discipline teams focused on production enhancement of marginal oil and gas development opportunities. Joseph holds a Bachelor of Science and a Post Graduate Degree in Petroleum Engineering from Curtin University. Tim Wise is a corporate executive, experienced in the growth of early stage businesses, and providing strategic advice to local, national and multinational companies. Tim is the founder and former CEO of The Tap Doctor and Kalina Power (ASX:KPO).

Upon Completion of the Parta Energy Transaction, the Company's interest in the Parta Energy Project will be the primary project of the Company. The Company's acquisition of an interest in the Parta Licence is consistent with its oil and gas exploration activities. ASX has confirmed there is no need for the Company to obtain Listing Rule 11.1.2 shareholder approval to undertake the Parta Energy Transaction.

The issued capital of the Company currently consists of 1,960,000,000 Shares. The Company intends to undertake a consolidation of the number of Shares on issue on a 4:1 basis so that every 4 Shares will be consolidated into 1 Share. The Consolidation will be undertaken before the issue of any transaction consideration to the Parta Energy Shareholders and prior to the Capital Raising.

1.2 **Key Terms of the Parta Energy Transaction and the Parta Energy rights to the Parta Licence**

The key terms of the Parta Energy Transaction and the Parta Energy rights to the Parta Licence are set out below.

Share Sale Deed

The Company entered into the Share Sale Deed with the Parta Energy Shareholders and Parta Energy by which the Company will purchase all the Parta Energy shares.

Under the Share Sale Deed:

- (a) The Company will purchase all the Parta Energy shares free from encumbrances in consideration of the Company issuing to the Parta Energy Shareholders, at Completion, 70,000,000 Shares and 70,000,000 Class A Performance Shares.
- (b) The Parta Energy Shareholders are Jafrag Pty Ltd (an entity controlled by Joseph Graham), Thomas Milton Schmedje and Finind Pty Ltd (an entity controlled by Tim Wise). Each of the Parta Energy Shareholders will receive the Parta Energy Transaction consideration pro-rata to their shareholding in Parta Energy so Jafrag Pty Ltd will be issued with 30,000,000 Shares and 30,000,000 Class A Performance Shares, Thomas Milton Schmedje will be issued with 20,000,000 Shares and 20,000,000 Class A Performance Shares and Finind Pty Ltd will be issued with 20,000,000 Shares and 20,000,000 Class A Performance Shares.
- (c) The Class A Performance Shares are a form of deferred consideration with conversion to Shares contingent upon achievement of either a relevant commercial production milestone or a sale at a profit milestone within 5 years from issue. The terms of the Class A Performance Shares are set out in Schedule 1.
- (d) The conditions precedent that must be satisfied or waived prior to Completion and before 15 November 2019 or such other date as may be agreed between the parties are:

- (1) the Company obtaining all necessary Shareholder approvals to give effect to the Parta Energy Transaction (which the Company is seeking by this Notice); and
 - (2) the Company closing the Capital Raising having met minimum subscription.
- (e) The Parta Energy Shareholders and the Company have provided warranties to each other consistent with a transaction of this nature. Any claim pursuant to a warranty is subject to the relevant party being notified within 12 months of Completion.
 - (f) Each Parta Energy Shareholder has warranted that it will not infringe the takeovers prohibition (20%) in section 606 of the Corporations Act by being issued shares at Completion. As such, the Company is not seeking Shareholder approval pursuant to section 611 item 7 of the Corporations Act for the issue of Shares under the Parta Energy Transaction.

Parta Energy rights to Parta Licence

The Farmin Agreement is between Parta Energy, ADX Energy and Danube Petroleum Ltd (the parent company of ADX Energy). Under the Farmin Agreement:

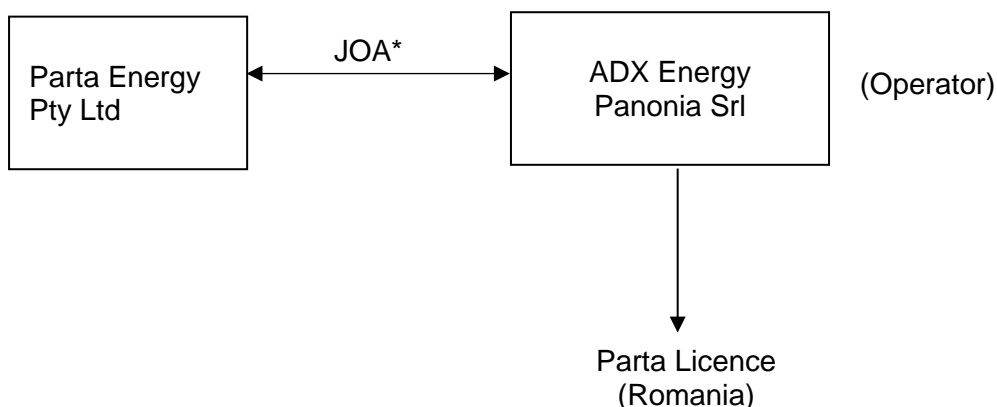
- (a) Parta Energy has the right to earn the farm-in interest by paying an initial US\$200,000 (which has been paid) and a further US\$1,300,000 towards sole funding an agreed work program and budget in instalments as cash called by ADX Energy with the US\$1,300,000 of cash calls to be made in the period from 1 November 2019 to 31 March 2020.
- (b) ADX Energy will be the operator during the farm-in period.
- (c) The farm-in area is the Parta Contract Area.
- (d) The agreed work program and budget is intended to fund 100km² of 3D seismic.
- (e) Upon completion of the farm-in, Parta Energy will have earned a 50% interest in the Parta Contract Area and a 50% participating interest in the JOA.
- (f) A Parta Energy Romanian subsidiary to be formed will hold Parta Energy's farmed-in interest in the Parta Contract Area.

The JOA is between ADX Energy and Parta Energy. Under the JOA:

- (a) The JOA will be effective from completion of the farm-in.
- (b) The JOA governs the association between ADX Energy and Parta Energy in an unincorporated joint venture with each party having a 50% participating interest in rights and obligations in the JOA and a 50% interest in the Parta Contract Area.
- (c) The JOA will be a participating joint venture with agreed work programs and budgets.
- (d) ADX Energy is to be the operator. Overall supervision and direction of operations will be by an Operating Committee, with a representative of each party voting in accordance with that party's participating interest.
- (e) There are default procedures for a failure to comply with obligations including a buy-out option to a non-defaulting party for a failure of a defaulting party to contribute to joint venture expenditure.

- (f) The parties may undertake joint activities in an area of mutual interest extending beyond the Parta Licence.
- (g) A Parta Energy Romanian subsidiary may replace Parta Energy as the joint venturer.

**Diagram indicating JOA between
Parta Energy and ADX Energy**



* Upon completion of the farm-in by Parta Energy (requiring funding of US\$1,500,000), each of ADX Energy and Parta Energy will have a 50% participating interest in an unincorporated joint venture in respect of the Parta Contract Area.

1.3 Parta opportunity

The Parta Energy Project provides the Company with a meaningful participating interest in the relatively low cost, and highly prospective, near term exploration of a proven onshore oil and gas province in Romania.

This province is under explored with modern 3D seismic techniques, and recent drilling results in the province are proving high rates of success based on new 3D seismic. The Parta Energy Project plans to perform new 3D seismic acquisition over an area of 100km² in the Parta Contract Area that covers the lead exploration targets, and the necessary approvals are in place to commence operations in Q4 2019.

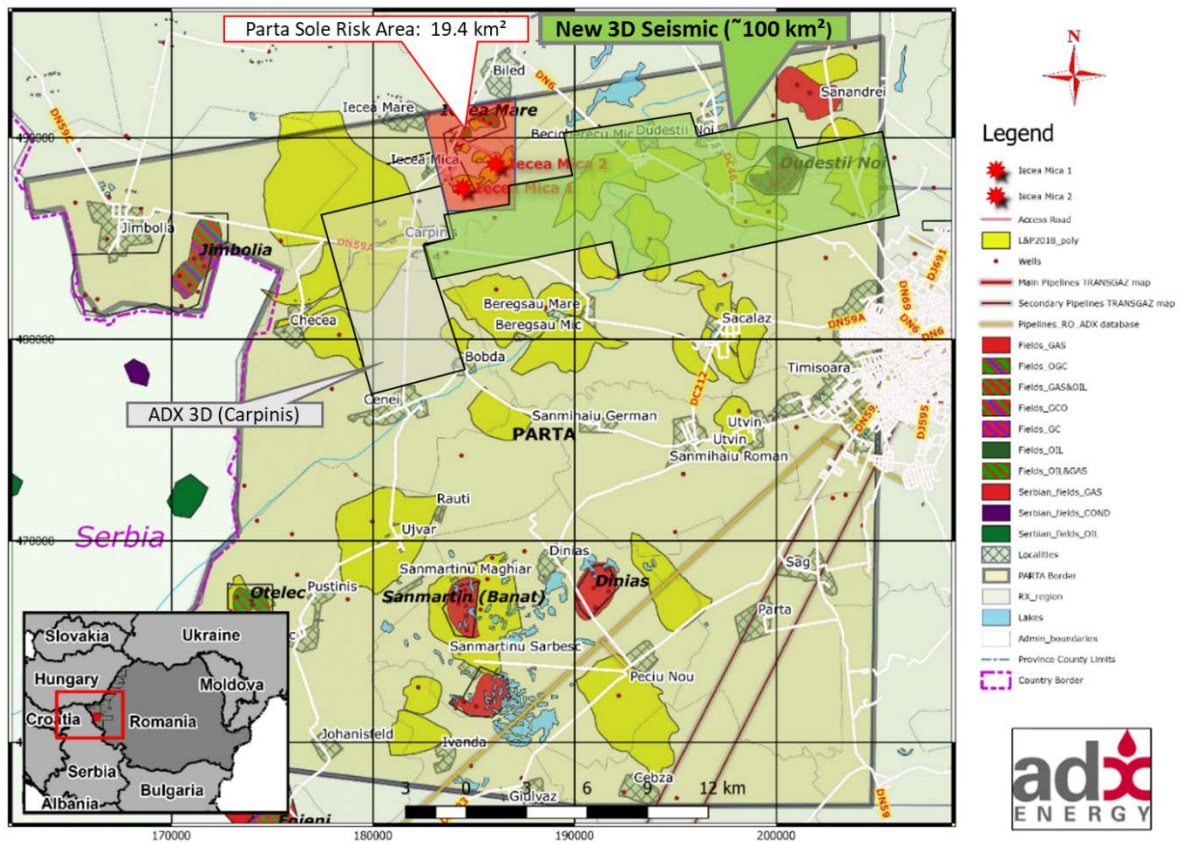
In addition, ADX Energy are currently drilling in the Excluded Area, adjacent to the planned 3D seismic acquisition area of the Parta Contract Area, and the results are likely to enable direct correlation in the interpretation of exploration targets in the Parta Contract Area.

The lead targets of the Parta Contract Area are relatively shallow (less than 2,500m) and low cost to drill, with multiple stacked oil and gas pay zones. They are located nearby to existing export infrastructure, enabling low cost access to markets and a clear path to commercialisation.

Foreign companies have a successful track record of producing oil and gas in Romania, in a stable regulatory environment. Romania is part of the EU, and is the second largest gas producer in Eastern Europe.

1.4 Map of Parta Licence

Set out below is a map of the Parta Licence area.



1.5 Proposed Rights Issue Capital Raising

The Company has existing cash on hand of approximately A\$1,626,000 as at 30 June 2019. The Company intends to undertake the Capital Raising.

The existing cash and the cash raised by the Capital Raising is intended to fund the further US\$1,300,000 farm-in expenditure (approximately A\$1,912,000 at an exchange rate of US\$0.68:A\$1.00), transaction costs, payment of liabilities in Parta Energy (being no more than approximately A\$375,000) and general working capital.

The Company intends to undertake the Capital Raising by a rights issue thereby enabling all eligible Shareholders to participate. It is intended to raise up to approximately A\$1,470,000 by a rights issue on a 1:2 basis (1 new Share for each 2 existing Shares) to issue up to approximately 245,000,000 post-Consolidation Shares at 0.6 cents per Share.

The Capital Raising is a condition precedent to the Share Sale Deed and is to be closed having met minimum subscription before Completion of the Parta Energy Transaction.

1.6 Proposed Timetable

Set out below is an estimate of the timing of events relevant to the completion of the Parta Energy Transaction.

Event	Date
Execution of Share Sale Deed for Parta Energy Transaction	15 August 2019
Announcement of Parta Energy Transaction	16 August 2019
Meeting of Shareholders	19 September 2019
Record date for Consolidation of Shares on 4:1 basis	24 September 2019
Rights issue fundraising process	From approximately 2 October to approximately 31 October 2019
Completion under the Share Sale Deed including issue of vendor securities and appointment of Joseph Graham and Tim Wise as Directors	approximately 31 October 2019

1.7 Effect of the Parta Energy Transaction on the Company

(a) Pro-forma capital structure

The proposed capital structure of the Company following completion of the Parta Energy Transaction including the capital raising is set out below.

Capital Structure (post-Consolidation)		
	Shares	Performance Shares
Current	490,000,000 ¹	0
Rights Issue fundraising	245,000,000 ²	0
Consideration to Parta Energy Shareholders	70,000,000	70,000,000
Total	805,000,000	70,000,000

1. The current Shares assumes the completion of the Consolidation.
2. Assumes that the rights issue fundraising raises A\$1,470,000 by the issue of 245,000,000 post-Consolidation Shares.
3. The terms of the Performance Shares are set out in Schedule 1.

(b) Board of Directors

Currently the Board of Directors comprises:

Brett Lawrence – Managing Director
Logan Robertson – Non-Executive Director
Alexander Parks – Non-Executive Director

By Resolutions 4 and 5, Shareholder approval is sought to respectively appoint Joseph Graham and Tim Wise as Directors to join the Board. The qualifications and experience of Joseph Graham and Tim Wise are respectively set out in Sections 5 and 6.

If Resolutions 4 and 5 are passed together with the other Conditional Resolutions, Joseph Graham and Tim Wise will be appointed to the Board from Completion.

Alexander Parks will resign as a Director from Completion.

The Board of Directors from Completion will be:

Brett Lawrence – Managing Director
Joseph Graham - Executive Director
Logan Robertson – Non-Executive Director
Tim Wise – Non-Executive Director

1.8 **Conditionality of Resolutions**

Resolutions 2, 3, 4 and 5 are conditional upon the passing of each other, so that each will not have effect unless and until the other is passed.

1.9 **Directors' recommendation**

The current directors (Brett Lawrence, Logan Robertson and Alexander Parks) do not have a material personal interest in the outcome of any of the Resolutions other than Alexander Parks as a Shareholder of the Company. The Company intends to undertake the Parta Energy Transaction as the Directors believe the Parta Energy Transaction is in the best interests of the Company and recommend that Shareholders vote in favour of all Resolutions.

2. **RESOLUTION 1 – CONSOLIDATION OF CAPITAL**

The Directors are seeking Shareholder approval to consolidate the number of Shares on issue on a 4:1 basis (every 4 Shares be consolidated into 1 Share).

Section 254H of the Corporations Act provides that a company may, by resolution passed in general meeting, convert all or any of its shares into a larger or smaller number of shares.

The only securities on issue in the Company are 1,960,000,000 Shares.

If this Resolution is passed, the number of Shares on issue will be reduced from 1,960,000,000 to approximately 490,000,000.

The effect of the Consolidation on the Share capital is set out in the table below.

Pre-Consolidation Shares	Post-Consolidation Shares
1,960,000,000	490,000,000*

*Not all Shareholders will hold that number of Shares which can be evenly divided by 4. Where a fractional entitlement occurs, the Directors will round that fraction up to the nearest whole Share.

As the Consolidation applies equally to all Shareholders, individual shareholdings will be reduced in the same ratio as the total number of Shares (subject to rounding). Accordingly, the Consolidation will have no effect on the percentage interest that each Shareholder holds in the Company.

The Company currently has a relatively large number of Shares. The Directors propose the Consolidation because it will result in a more appropriate, effective capital structure for the Company and a share price more appealing to a wider range of investors.

The Consolidation will be conducted in accordance with the timetable in paragraph 8 of Appendix 7A of the Listing Rules. Thereby, the timetable is to be as follows:

Event	Date
1. Shareholders approve the Consolidation and the Company notifies ASX of the approval.	19 September 2019 (Business Day 0)
2. Last day for pre-Consolidation trading.	20 September 2019 (Business Day 1)
3. Post-Consolidation trading starts on a deferred settlement basis.	23 September 2019 (Business Day 2)
4. Record Date	24 September 2019 (Business Day 3)
5. Last day for Company to register transfers on a pre-Consolidation basis.	24 September 2019 (Business Day 3)
6. First day for Company to send notice to security holders of change in their detail of holdings. First day to register securities, on a post-Consolidation basis. First day for notice to security holders and issue of holding statements	25 September 2019 (Business Day 4)
7. Issue date (by entry of holdings reflecting the Consolidation). Deferred settlement trading ends. Last day for notice to security holders and issue of holding statements.	1 October 2019 (Business Day 8)

These dates are indicative only and may change subject to the requirements of the Corporations Act and Listing Rules.

It is not considered that any taxation consequences will exist for Shareholders arising from the Consolidation. However, Shareholders are advised to seek their own tax advice on the effect of the Consolidation and neither the Company, nor the Directors (or the Company's advisers) accept any responsibility for the individual taxation consequences arising from the Consolidation.

3. RESOLUTION 2 - APPROVAL TO ISSUE SHARES AND PERFORMANCE SHARES TO PARTA ENERGY SHAREHOLDERS

3.1 General

Resolution 2 seeks Shareholder approval for the issue of up to 70,000,000 Shares and 70,000,000 Class A Performance Shares which represents the consideration to be provided by the Company to the Parta Energy Shareholders under the Parta Energy Transaction.

Listing Rule 7.1 provides, subject to certain exceptions, a listed company must not issue equity securities where the number of equity securities proposed to be issued represents more than 15% of the company's shares then on issue without the approval of shareholders.

Shareholder approval is required for the purposes of Listing Rule 7.1 as the Company does not have existing placement capacity to issue the securities.

The effect of the Resolution will be to allow the Company to issue the securities during the period of 3 months after the Meeting (or a longer period, if allowed by ASX), without using the Company's 15% placement capacity.

This Resolution is subject to the passing of all Conditional Resolutions.

3.2 Chapter 2E of the Corporations Act

For a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

- (a) obtain the approval of the public company's members in the manner set out in sections 217 to 227 of the Corporations Act; and
- (b) give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act.

The issue of securities under the Parta Energy Transaction constitutes giving a financial benefit and each of Joseph Graham and Tim Wise and entities controlled by them are related parties by virtue of each of Joseph Graham and Tim Wise being a proposed director and the application of section 228(6) of the Corporations Act.

The current Directors consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required for the issue of securities to Jafrag Pty Ltd (Joseph Graham's controlled entity) and Finind Pty Ltd (Tim Wise's controlled entity) as the securities will be issued on reasonable arms length terms to these parties and upon the same terms as the securities to be issued to the non-related party vendor.

3.3 Listing Rule 10.11

Listing Rule 10.11 also requires shareholder approval to be obtained where an entity issues, or agrees to issue, securities to a related party, or a 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.

Listing Rule 10.12 Exception 6 provides that where a person is only a related party by reason of the transaction which is the reason for the issue of the securities and the application of section 228(6) of the Corporations Act, Listing Rule 10.11 shall not apply.

Of the Parta Energy Shareholders, Thomas Milton Schmedje is not a related party of the Company. By reason of Joseph Graham and Tim Wise being proposed directors of the Company and the operation of section 228(6) of the Corporations Act, each of Jafrag Pty Ltd (Joseph Graham's controlled entity) and Finind Pty Ltd (Tim Wise's controlled entity) are related parties of the Company.

Joseph Graham and Tim Wise and entities controlled by them are related parties by reason only of the Parta Energy Transaction which is the reason for the issue of the securities to their controlled entities. The securities will be issued to the Parta Energy Shareholders (or their nominees). As such, separate Shareholder approval for the issue of securities to Jafrag Pty Ltd and Finind Pty Ltd under Listing Rule 10.11 is not required (see Listing Rule 10.12 Exception 6).

3.4 Information required by Listing Rule 7.1

In accordance with Listing Rule 7.3, the following information is provided to Shareholders in relation to this Resolution.

- (a) The maximum number of securities to be issued by the Company is 70,000,000 Shares and 70,000,000 Class A Performance Shares.
- (b) The securities will be issued no later than 3 months after the date of this Meeting (unless a later date is permitted by ASX waiver).
- (c) The securities to be issued will be issued for nil cash consideration as they represent the consideration to be provided by the Company to the Parta Energy Shareholders under the Parta Energy Transaction.
- (d) The Shares and Class A Performance Shares will be issued to the Parta Energy Shareholders as set out in Section 1.2. None of the Parta Energy Shareholders are related parties of the Company other than Jafrag Pty Ltd and Finind Pty Ltd. As detailed at Section 3.3, the Directors consider that Shareholder approval pursuant to Listing Rule 10.11 is not required in respect of the issue of securities to Jafrag Pty Ltd and Finind Pty Ltd as they are only a related party of the Company by reason of the Parta Energy Transaction, which is the reason for the issue of the securities and the application to it of section 228(6) of the Corporations Act.
- (e) The Shares to be issued will be fully paid ordinary shares of the Company that rank equally with the Company's current issued Shares. The terms of the Class A Performance Shares are set out in Schedule 1.
- (f) No funds will be raised from the issue of the securities.
- (g) It is intended that the securities will be issued on one date.

4. RESOLUTION 3 – CREATION OF A NEW CLASS OF SECURITIES – PERFORMANCE SHARES

At completion of the Parta Energy Transaction the Company will issue Class A Performance Shares to each of the Parta Energy Shareholders as part of the consideration.

Pursuant to section 246C(5) of the Corporations Act, a company with a single class of shares on issue which proposes to issue new shares not having the same rights as its existing shares, is taken to vary the rights of existing shareholders unless the constitution already provides for such an issue.

Section 246B of the Corporations Act and article 2.3 of the Constitution provide that the rights attaching to a class of shares cannot be varied without:

- (a) a special resolution passed at a meeting of the holders of the issued shares of the affected class; or
- (b) the written consent of the holders of 75% of the votes of the affected class.

The Company currently has only one class of shares on issue being fully paid ordinary shares. The terms of the Performance Shares are not the same as the terms of the existing Shares on issue.

Accordingly, this Resolution seeks Shareholder approval for the Company to issue the Performance Shares as a new class of shares.

The full terms of the Performance Shares are set out in Schedule 1.

This Resolution is a special resolution requiring it to be passed by at least 75% of the votes cast by Shareholders who are entitled to vote at the meeting.

This Resolution is subject to the passing of all Conditional Resolutions.

5. RESOLUTION 4 – APPOINTMENT OF DIRECTOR – JOSEPH GRAHAM

It is intended that Joseph Graham be appointed as a Director of the Company, pursuant to article 6.2(c) of the Company's Constitution in the event of Completion.

Joseph has 21 years experience as a Petroleum Engineer; most recently he has lead multi-disciplined teams focused on production enhancement of marginal oil and gas development opportunities. He is a joint founder of private equity firm Skye Energy Ventures which makes energy investments globally. He holds a Bachelor of Science and post graduate degree in Petroleum Engineering from Curtin University.

The Board recommends the appointment of Joseph Graham as a Director in the event of Completion. If approved, appointment by Shareholders will occur from Completion.

This Resolution is subject to the passing of all Conditional Resolutions.

6. RESOLUTION 5 – APPOINTMENT OF DIRECTOR – TIM WISE

It is intended that Tim Wise be appointed as a Director of the Company, pursuant to article 6.2(c) of the Company's Constitution in the event of Completion.

Tim Wise is a corporate executive, experienced in the growth of early stage businesses, and providing strategic advice to local, national and multinational companies. Tim is the founder and former CEO of The Tap Doctor and Kalina Power (ASX:KPO). Tim is currently a director of Phos Energy Ltd, and a non-executive director of Graft Polymer plc.

The Board recommends the appointment of Tim Wise as a Director in the event of Completion. If approved, appointment by Shareholders will occur from Completion.

This Resolution is subject to the passing of all Conditional Resolutions.

TAMASKA OIL AND GAS LIMITED
ACN 127 735 442

GLOSSARY

In the Notice and this Explanatory Statement the following expressions have the following meanings:

ADX Energy	ADX Energy Panonia srl, a company incorporated in Romania.
ASX	ASX Limited (ACN 008 624 691).
ASX Listing Rules or Listing Rules	the listing rules of the ASX.
Board	the Board of Directors of the Company.
Capital Raising	the capital raising to be undertaken by the Company to fund the Parta Energy Transaction.
Chair or Chairman	the chairman of the Company.
Company or TMK	Tamaska Oil and Gas Limited (ACN 127 735 442).
Completion	means completion under the Share Sale Deed.
Conditional Resolutions	means Resolutions 2, 3, 4 and 5.
Class A Performance Share	the Performance Shares with the Class A Milestone and on the terms set out in Schedule 1.
Completion	completion under the Share Sale Deed.
Consolidation	the consolidation of the issued capital of the Company in accordance with Resolution 1.
Constitution	the constitution of the Company.
Corporations Act	Corporations Act 2001 (Cth).
Directors	Directors of the Company from time to time.
Excluded Area	a sole risk area for ADX Energy Panonia Srl delineating a granted production concession within the Parta Licence.
Explanatory Statement	this Explanatory Statement.
Farmin Agreement	has the meaning set out in Section 1.1.
General Meeting or Meeting	the meeting convened by this Notice.

JOA	has the meaning set out in Section 1.1.
Notice	notice of meeting that accompanies this Explanatory Statement.
Parta Contract Area	the Parta Licence excluding the Excluded Area.
Parta Energy	Parta Energy Pty Ltd (ACN 632 636 885).
Parta Energy Project	the project constituted by Parta Energy's rights to the Parta Licence, the Farmin Agreement and the JOA.
Parta Energy Shareholders	Jafrag Pty Ltd (ACN 126 820 504), Thomas Milton Schmedje and Finind Pty Ltd (ACN 069 996 381).
Parta Energy Transaction	the transaction the subject of the Share Sale Deed by which the Company will acquire all the shares in Parta Energy from the Parta Energy Shareholders as summarised in Section 1 of the Explanatory Statement.
Parta Licence	EX-10 Parta exploration and development petroleum concession agreement in respect of the area known as EX-10 Parta Block between ADX Energy Panonia Srl and National Agency for Mineral Resources in Romania.
Performance Shares	a performance share in the Company.
Resolution	a resolution referred to in the Notice.
Share	a fully paid ordinary share in the capital of the Company.
Share Sale Deed	the share sale deed between the Parta Energy Shareholders, the Company and Parta Energy dated on or about 15 August 2019 by which the Company will purchase all the Parta Energy shares.
Shareholder	a registered holder of Shares in the Company.
WST	Western Standard Time, Perth, Western Australia.
\$US	United States dollars.
\$ or A\$	Australian dollars.

SCHEDULE 1

TERMS OF PERFORMANCE SHARES (Resolutions 2 and 3)

The terms of the Class A Performance Shares are as follows:

1. General

- (a) **(Share capital)** Each Performance Share is a share in the capital of the Company.
- (b) **(General meetings)** Each Performance Share confers on a holder ("**Holder**") the right to receive notices of general meetings and financial reports and accounts of the Company that are circulated to shareholders. A Holder has the right to attend general meetings of shareholders of the Company.
- (c) **(No voting rights)** A Performance Share does not entitle a Holder to vote on any resolutions proposed at a general meeting of shareholders of the Company.
- (d) **(No dividend rights)** A Performance Share does not entitle a Holder to any dividends.
- (e) **(No Rights on winding up)** A Performance Share has no right to participate in the surplus profits or assets of the Company upon winding up of the Company.
- (f) **(Not transferable)** A Performance Share is not transferable.
- (g) **(No participation in entitlements and bonus issues)** A Performance Share does not entitle a Holder to participate in new issues of capital offered to holders of Shares, such as bonus issues and entitlement issues.
- (h) **(No participation in return of capital)** A Performance Share does not entitle a Holder to participate in a return of capital, whether in winding up, upon a reduction in capital or otherwise.
- (i) **(Quotation of shares on conversion only)** The Performance Shares will not be quoted on ASX. However, an application will be made by the Company to ASX for official quotation of the Shares (fully paid ordinary) issued upon the conversion of each Performance Share within the time period required by the Listing Rules.
- (j) **(Reorganisation of capital)** If there is a reorganisation of the issued capital of the Company, the rights of a Holder will be varied (as appropriate) in accordance with the Listing Rules which apply to reorganisation of capital at the time of the reorganisation.
- (k) **(No other rights)** A Performance Share does not give a Holder any other rights other than those expressly provided by these terms and those provided at law where such rights at law cannot be excluded by these terms.

2. Conversion and expiry of Performance Shares

- (a) **(Conversion of Class A Performance Shares on achievement of the Milestone)** Upon the Company announcing the first of either of the following on or before a date being no more than 5 years from issue:

- (i) a well drilled in the EX-10 Parta Licence or any successor or replacement licences ("**Parta Licence**") enters production and generates more than US\$500,000 in revenue after operating costs over a 3 month period whilst the Company or a subsidiary holds an interest in the well (Commercial Production Milestone); or
- (ii) a sale of an interest in the Parta Licence by the Company or a subsidiary (excluding a farm-out) that generates a capital gain of more than US\$2,000,000 in accordance with applicable Australian taxation law (Sale at a Profit Milestone),

("Class A Milestone")

each Class A Performance Share will convert into a Share on a one for one basis.

- (b) **(No conversion)** To the extent that any Class A Performance Shares have not converted into Shares on or before the relevant expiry date, then all such unconverted Class A Performance Shares held by each Holder will automatically lapse on the expiry date.
- (c) **(Conversion procedure)** The Company will issue a Holder with a new holding statement for the Share or Shares as soon as practicable following the conversion of each Performance Share.
- (d) **(Ranking of shares)** Each Share into which the Performance Share will convert will upon issue:
 - (i) rank equally in all respects (including, without limitation, rights relating to dividends) with other issued Shares;
 - (ii) be issued credited as fully paid; and
 - (iii) be issued free from all liens, charges and encumbrances whether known about or not including statutory and other pre-emptive rights and any transfer restrictions.

3. Conversion on change of control

- (a) Subject to paragraph 3(b), if there is a Change of Control Event in relation to the Company prior to the conversion of the Performance Shares, then the Class A Milestone will be deemed to have been achieved and each Performance Share will automatically and immediately convert into a Share.
- (b) If the number of Shares to be issued as a result of the conversion of all Performance Shares due to a Change of Control Event in relation to the Company is in excess of 10% of the share capital of the Company at the time of the conversion, then the number of Class A Performance Shares to be converted will be pro-rated so that the aggregate number of Shares issued upon conversion of the Performance Shares is equal to 10% of the share capital of the Company at the time of conversion.

For the purposes of paragraph 3, "**Change of Control Event**" means:

- (a) the occurrence of:

- (i) the offeror under a takeover offer in respect of all Shares announcing that it has achieved acceptances in respect of 50.1% or more of the Shares; and
 - (ii) that takeover bid has become unconditional; or
- (b) the announcement by the Company that:
 - (i) shareholders of the Company have at a Court convened meeting of shareholders voted in favour, by the necessary majority, of a proposed scheme of arrangement under which all Shares are to be either:
 - (A) cancelled; or
 - (B) transferred to a third party; and
 - (ii) the Court, by order, approves the proposed scheme of arrangement.

4. Takeover Provisions

- (a) If the conversion of Performance Shares (or part thereof) under paragraphs 2 or 3 would result in any person being in contravention of section 606(1) of the Corporations Act, then the conversion of each Performance Share that would cause the contravention shall be deferred until such time or times thereafter that the conversion would not result in a contravention of section 606(1). Following a deferment under this paragraph 4(a), the Company shall at all times be required to convert that number of Performance Shares that would not result in a contravention of section 606(1).
- (b) Where paragraph 4(a) applies, if requested to do so by the affected Holder, the Company will seek to obtain the approval of its shareholders under section 611, item 7 of the Corporations Act 2001 (Cth) for the conversion of the affected Performance Shares at the Company's next annual general meeting.
- (c) A Holder must promptly notify the Company in writing if they consider that the conversion of Performance Shares (or part thereof) under paragraphs 2 or 3 may result in the contravention of section 606(1), failing which the Company is entitled to assume that the conversion of Performance Shares (or part thereof) under paragraphs 2 or 3 will not result in any person being in contravention of section 606(1) (unless it is on notice to the contrary through a substantial holder notice which has been lodged in relation to the Company).
- (d) The Company may (but is not obliged to) by written notice request that a Holder confirm to the Company in writing within 7 days if they consider that the conversion of Performance Shares under paragraphs 2 or 3 may result in the contravention of section 606(1). If the Holder does not confirm to the Company within 7 days that they consider the conversion of Performance Shares (or part thereof) under paragraph 1 or 3 may result in the contravention of section 606(1), then the Company is entitled to assume that the conversion of Performance Shares (or part thereof) under paragraphs 2 or 3 will not result in any person being in contravention of section 606(1) (unless it is on notice to the contrary through a substantial holder notice which has been lodged in relation to the Company).