
INVICTUS ENERGY LTD

ACN 150 956 773

NOTICE OF GENERAL MEETING

Notice is given that the Meeting will be held at:

TIME: 10am (WST)
DATE: 8 July 2021
PLACE: Invictus Energy Ltd
Ground Floor, 24 Outram Street
WEST PERTH WA 6005

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.

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered Shareholders at 5pm (WST) on 6 July 2021.

BUSINESS OF THE MEETING

AGENDA

1. RESOLUTION 1 – RATIFICATION OF PRIOR ISSUE OF SHARES AND OPTIONS

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

“That, for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 25,058,198 Shares and 36,363,636 Options on the terms and conditions set out in the Explanatory Statement.”

A voting exclusion statement applies to this Resolution. Please see below.

2. RESOLUTION 2 – RATIFICATION OF PRIOR ISSUE OF SHARES – 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 Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 47,669,075 Shares on the terms and conditions set out in the Explanatory Statement.”

A voting exclusion statement applies to this Resolution. Please see below.

3. RESOLUTION 3 – APPROVAL TO ISSUE OPTIONS TO LEAD MANAGER

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

“That, for the purposes of Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue up to 9,090,909 Options on the terms and conditions set out in the Explanatory Statement.”

A voting exclusion statement applies to this Resolution. Please see below.

4. RESOLUTION 4 – APPROVAL TO ISSUE OPTIONS TO DR STUART LAKE

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

“That, for the purposes of section 195(4) and section 208 of the Corporations Act, Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue 3,000,000 Options to Dr Stuart Lake (or his nominee) on the terms and conditions set out in the Explanatory Statement.”

A voting exclusion statement and voting prohibition statement applies to this Resolution. Please see below.

5. RESOLUTION 5 – APPROVAL TO ISSUE OPTIONS TO SCOTT MACMILLAN

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

“That, for the purposes of section 195(4) and section 208 of the Corporations Act, Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue 3,000,000 Options to Scott Macmillan (or his nominee) on the terms and conditions set out in the Explanatory Statement.”

A voting exclusion statement and voting prohibition statement applies to this Resolution. Please see below.

6. RESOLUTION 6 – APPROVAL TO ISSUE OPTIONS TO BARNABY EGERTON-WARBURTON

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

“That, for the purposes of section 195(4) and section 208 of the Corporations Act, Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue 3,000,000 Options to Barnaby Egerton-Warburton (or his nominee) on the terms and conditions set out in the Explanatory Statement.”

A voting exclusion statement and voting prohibition statement applies to this Resolution. Please see below.

7. RESOLUTION 7 – APPROVAL TO ISSUE OPTIONS TO GABRIEL CHIAPPINI

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

“That, for the purposes of section 195(4) and section 208 of the Corporations Act, Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue 3,000,000 Options to Gabriel Chiappini (or his nominee) on the terms and conditions set out in the Explanatory Statement.”

A voting exclusion statement and voting prohibition statement applies to this Resolution. Please see below.

8. RESOLUTION 8 – ELECTION OF DIRECTOR – MR JOSEPH MUTIZWA

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

“That, for the purpose of clause 11.4 of the Constitution, Listing Rule 14.4 and for all other purposes, Joseph Mutizwa, a Director who was appointed as an additional Director on 19 May 2021, retires, and being eligible, is elected as a Director.”

9. RESOLUTION 9 – APPROVAL TO ISSUE OPTIONS TO JOSEPH MUTIZWA

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

"That, subject to the passing of Resolution 8, for the purposes of section 195(4) and section 208 of the Corporations Act, Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue 3,000,000 Options to Joseph Mutizwa (or his nominee) on the terms and conditions set out in the Explanatory Statement."

A voting exclusion statement and voting prohibition statement applies to this Resolution. Please see below.

10. RESOLUTION 10 – APPROVAL TO ISSUE SHARES TO DIRECTOR IN LIEU OF FEES DURING THE PERIOD 1 JUNE 2021 TO 30 MAY 2022 – MR JOSEPH MUTIZWA

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

"That, subject to the passing of Resolution 8, for the purposes of Listing Rule 10.14 and for all other purposes, approval is given for the Company to issue up to that number of Shares to Mr Joseph Mutizwa (or his nominee), which when multiplied by the issue price, will satisfy up to \$60,000 of his cash remuneration for the twelve-month period 1 June 2021 to 30 May 2022 on the terms and conditions set out in the Explanatory Statement."

A voting exclusion statement and voting prohibition statement applies to this Resolution. Please see below.

Dated: 3 June 2021

By order of the Board

Gabriel Chiappini
Non-Executive Director & Company Secretary
Invictus Energy Ltd

Voting Exclusion Statements

In accordance with Listing Rule 14.11, the Company will disregard any votes cast in favour of the resolution set out below by or on behalf of the following persons:

Resolution 1 – Ratification of prior issue of Shares and Options	A person who participated in the issue or is a counterparty to the agreement being approved or an associate of that person or those persons.
Resolution 2 – Ratification of prior issue of Shares	A person who participated in the issue or is a counterparty to the agreement being approved or an associate of that person or those persons.
Resolution 3 – Approval to issue Options	A person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company) (namely the Lead Manager) or an associate of that person (or those persons).
Resolutions 4-7 & 9 – Issue of Options to Related Party	Dr Stuart Lake (in relation to Resolution 4) , Scott Macmillan (in relation to Resolution 5), Barnaby Egerton-Warburton (in relation to Resolution 6), Gabriel Chiappini (in relation to Resolution 7), Joseph Mutizwa (in relation to Resolution 9) (or their respective nominees) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person or those persons.
Resolution 10 – Approval to Issue Shares to Joseph Mutizwa lieu of fees during the period 1 June 2021 to 30 May 2022	Any person referred to in Listing Rule 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the employee incentive scheme in question (including Joseph Mutizwa) or an associate of that person or those persons.

However, this does not apply to a vote cast in favour of the Resolution by:

- (a) a person as a proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the directions given to the proxy or attorney to vote on the Resolution in that way; or
- (b) the Chair as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and
 - (ii) the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Voting Prohibition Statement:

Resolutions 4-7 and 9 – Issue of Options to Related Party	<p>In accordance with section 224 of the Corporations Act, a vote on this Resolution must not be cast (in any capacity) by or on behalf of a related party of the Company to whom the Resolution would permit a financial benefit to be given, or an associate of such a related party (Resolutions 4-7 & 9 Excluded Party). However, the above prohibition does not apply if the vote is cast by a person as proxy appointed by writing that specifies how the proxy is to vote on the Resolution and it is not cast on behalf of a Resolutions 4-7 & 9 Excluded Party.</p> <p>In accordance with section 250BD of the Corporations Act, a person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:</p>
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	<p>(a) the proxy is either:</p> <p>(i) a member of the Key Management Personnel; or</p> <p>(ii) a Closely Related Party of such a member; and</p> <p>(b) the appointment does not specify the way the proxy is to vote on this Resolution.</p> <p>Provided the Chair is not a Resolutions 4-7 & 9 Excluded Party, the above prohibition does not apply if:</p> <p>(a) the proxy is the Chair; and</p> <p>(b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.</p>
<p>Resolution 10 – Approval to Issue Shares to Joseph Mutizwa lieu of fees during the period 1 June 2021 to 30 May 2022</p>	<p>In accordance with section 224 of the Corporations Act, a vote on this Resolution must not be cast (in any capacity) by or on behalf of a related party of the Company to whom the Resolution would permit a financial benefit to be given, or an associate of such a related party (Resolution 10 Excluded Party). However, the above prohibition does not apply if the vote is cast by a person as proxy appointed by writing that specifies how the proxy is to vote on the Resolution and it is not cast on behalf of a Resolution 10 Excluded Party.</p> <p>In accordance with section 250BD of the Corporations Act, a person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:</p> <p>(a) the proxy is either:</p> <p>(i) a member of the Key Management Personnel; or</p> <p>(ii) a Closely Related Party of such a member; and</p> <p>(b) the appointment does not specify the way the proxy is to vote on this Resolution.</p> <p>Provided the Chair is not a Resolution 10 Excluded Party, the above prohibition does not apply if:</p> <p>(a) the proxy is the Chair; and</p> <p>(b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.</p>

Voting by proxy

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

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

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

Shareholders and their proxies should be aware that:

- if proxy holders vote, they must cast all directed proxies as directed; and

- any directed proxies which are not voted will automatically default to the Chair, who must vote the proxies as directed.

Voting in person

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

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on +61 8 6102 5055.

EXPLANATORY STATEMENT

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

1. RESOLUTIONS 1 AND 2 – RATIFICATION OF PRIOR ISSUE OF SHARES AND OPTIONS

1.1 General

As announced on 24 March 2021, the Company has raised \$8,000,000 through the issue of 72,727,273 Shares at an issue price of \$0.11 per Share together with 1 free attaching Option for every 2 Shares subscribed for and issued (**Capital Raising**).

On 29 March 2021, the Company issued the Shares and Options the subject of the Capital Raising (**Capital Raising Securities**) to those who participated in the Capital Raising.

The Company engaged the services of PAC Partners Securities Pty Ltd (ACN 623 653 912) (**PAC Partners** or **Lead Manager**), (Pac Partners is a corporate authorised representative of PAC Asset Management Pty Ltd (AFSL 335 374)), to manage the issue of the Capital Raising Securities (**Lead Manager Mandate**).

Fees under Lead Manager Mandate

In payment for its services, and subject to reaching the minimum raise under the Lead Manager Mandate of \$6,000,000, PAC Partners was entitled to receive the following:

- (a) a 2% fee (plus GST) on the gross proceeds raised under the Capital Raising (**Management Fee**);
- (b) a 4% fee (plus GST) on the gross proceeds raised under the Capital Raising (**Selling Fee**); and
- (c) 1 for 8 **Lead Manager Options** with a strike price 60% greater than the placement price, unlisted, with a 3-year expiry period. The Lead Manager Options are subject to achieving the \$6.0m minimum allocation and shareholder approval at a meeting to be called following the Capital Raising.

All out of pocket expenses incurred by PAC Partners in the performance of the services under the Lead Manager Mandate are to be reimbursed by the Company, with prior consent required from the Company for expenses in excess of \$1,000.

Following completing the Capital Raising, the Company owed combined Management Fees and Selling Fees of \$480,000 and 9,090,909 Lead Manager Options with an exercise price of \$0.17 and a 3-year term, in consideration for services provided.

1.2 Listing Rules 7.1 and 7.1A

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 12 month period.

Under Listing Rule 7.1A, an eligible entity can seek approval from its members, by way of a special resolution passed at its annual general meeting, to increase this 15% limit by an extra 10% to 25%.

The Company obtained approval to increase its limit to 25% at the annual general meeting held on 27 November 2020.

The issue of the Capital Raising Securities does not fit within any of the exceptions set out in Listing Rule 7.2 and, as it has not yet been approved by Shareholders, it effectively uses up part of the 15% limit in Listing Rule 7.1, reducing the Company's capacity to issue further equity securities without Shareholder approval under Listing Rule 7.1 for the 12 month period following the date of issue of the Capital Raising Securities.

1.3 Listing Rule 7.4

Listing Rule 7.4 allows the shareholders of a listed company to approve an issue of equity securities after it has been made or agreed to be made. If they do, the issue is taken to have been approved under Listing Rule 7.1 and so does not reduce the company's capacity to issue further equity securities without shareholder approval under that rule.

The Company wishes to retain as much flexibility as possible to issue additional equity securities in the future without having to obtain Shareholder approval for such issues under Listing Rule 7.1. Accordingly, the Company is seeking Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the Capital Raising Securities.

Resolutions 1 and 2 seek Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the Capital Raising Securities.

1.4 Technical information required by Listing Rule 14.1A

If Resolutions 1 and 2 are passed, the Capital Raising Securities will be excluded in calculating the Company's combined 25% limit in Listing Rules 7.1 and 7.1A, effectively increasing the number of equity securities the Company can issue without Shareholder approval over the 12 month period following the date of issue of the Capital Raising Securities.

If Resolutions 2 and 3 are not passed, the Capital Raising Securities will be included in calculating the Company's combined 25% limit in Listing Rules 7.1 and 7.1A, effectively decreasing the number of equity securities that the Company can issue without Shareholder approval over the 12 month period following the date of issue of the Capital Raising Securities.

It is noted that the Company's ability to utilise the additional 10% capacity provided for in Listing Rule 7.1A for issues of equity securities following this Meeting remains conditional on Resolution 2 being passed at this Meeting.

1.5 Technical information required by Listing Rule 7.4

Pursuant to and in accordance with Listing Rule 7.5, the following information is provided in relation to Resolutions 1 and 2:

- (a) the Capital Raising Securities were issued to professional and sophisticated investors who are clients of PAC Partners. The recipients were identified through a bookbuild process, which involved PAC Partners seeking expressions of interest to participate in the capital raising from non-related parties of the Company.
- (b) in accordance with paragraph 7.4 of ASX Guidance Note 21, the Company confirms that none of the recipients were:
 - (i) related parties of the Company, members of the Company's Key Management Personnel, substantial holders of the Company, advisers of the Company or an associate of any of these parties; and
 - (ii) issued more than 1% of the issued capital of the Company;
- (c) 25,058,198 Shares and 36,363,636 Options were issued under Resolution 1 and 47,669,075 Shares were issued under Resolution 2;
- (d) the Shares issued to participants in the Capital Raising were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (e) the Options issued to participants in the Capital Raising were issued on the terms and conditions set out in Schedule 1;
- (f) the Capital Raising Securities were issued on 29 March 2021;
- (g) the issue price per Share was \$0.11 and the issue price of the Options was nil as they were issued free attaching with the Shares on a 1-for-2 basis. The Company has not and will not receive any other consideration for the issue of the Capital Raising Securities (other than in respect of funds received on exercise of the Options); and
- (h) the purpose of the issue of the Capital Raising Securities was to raise \$8,000,000, which will be applied towards the upcoming 2D seismic campaign in SG 4571, basis of well design, long lead drilling items for the Mzarabani-1 exploration well, drilling rig tender preparation and general working capital.

2. RESOLUTION 3 – APPROVAL TO ISSUE OPTIONS TO LEAD MANAGER

2.1 General

Under the Lead Manager Mandate, the Company has agreed to issue 9,090,909 Options in part consideration for Lead Manager services provided by PAC Partners.

As summarised in Section 1.2 above, 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 shares it had on issue at the start of that period.

The proposed issue of the Lead Manager Options falls within exception 17 of Listing Rule 7.2. It therefore requires the approval of Shareholders under Listing Rule 7.1.

2.2 Technical information required by Listing Rule 14.1A

If Resolution 3 is passed, the Company will be able to proceed with the issue of the Lead Manager Options. In addition, the issue of the Lead Manager Options will be excluded from the calculation of the number of equity securities that the Company can issue without Shareholder approval under Listing Rule 7.1.

If Resolution 3 is not passed, the Company will not be able to proceed with the issue of the Lead Manager Options.

Resolution 3 seeks Shareholder approval for the purposes of Listing Rule 7.1 for the issue of the Lead Manager Options.

2.3 Technical information required by Listing Rule 7.1

Pursuant to and in accordance with Listing Rule 7.3, the following information is provided in relation to Resolution 3:

- (a) the Lead Manager Options will be issued to PAC Partners;
- (b) in accordance with paragraph 7.2 of ASX Guidance Note 21, the Company confirms that none of the recipients will be:
 - (i) related parties of the Company, members of the Company's Key Management Personnel, substantial holders of the Company, advisers of the Company or an associate of any of these parties; and
 - (ii) issued more than 1% of the issued capital of the Company;
- (c) the maximum number of Lead Manager Options to be issued is 9,090,909. The terms and conditions of the Lead Manager Options are set out in Schedule 2;
- (d) the Lead Manager Options will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules) and it is intended that issue of the Lead Manager Options will occur on the same date;
- (e) the Lead Manager Options will be issued at a nil issue price, in consideration for lead manager services provided by PAC Partners;
- (f) the purpose of the issue of the Lead Manager Options is to satisfy the Company's obligations under the Lead Manager Mandate;
- (g) the Lead Manager Options are being issued to PAC Partners under the Lead Manager Mandate. A summary of the material terms of the Lead Manager Mandate is set out in Section 1.1; and
- (h) the Lead Manager Options are not being issued under, or to fund, a reverse takeover.

3. RESOLUTION 8 – ELECTION OF DIRECTOR – JOSEPH MUTIZWA

3.1 General

The Constitution allows the Directors to appoint at any time a person to be a Director either to fill a casual vacancy or as an addition to the existing Directors,

but only where the total number of Directors does not at any time exceed the maximum number specified by the Constitution.

Pursuant to the Constitution and Listing Rule 14.4, any Director so appointed holds office only until the next annual general meeting and is then eligible for election by Shareholders but shall not be taken into account in determining the Directors who are to retire by rotation (if any) at that meeting.

Joseph Mutizwa, having been appointed by other Directors on 19 May 2021 in accordance with the Constitution, will retire in accordance with the Constitution and Listing Rule 14.4 and being eligible, seeks election from Shareholders.

3.2 Qualifications and other material directorships

Joseph is the current chairman of Mangwana Capital, a shareholder of the Company and is a director of the Company's 100% owned local subsidiary Invictus Energy Resources Zimbabwe Pty Ltd. Joe served for ten years as Chief Executive of Delta Corporation, one of Zimbabwe's largest listed companies before taking early retirement in 2012.

He currently sits on the Presidential Advisory Council (PAC), a body appointed by Zimbabwe's President, His Excellency CDE E.D Mnangagwa, and is comprised of experts and leaders drawn from diverse sectors to advise and assist the President in formulating key economic policies and strategies in the country. Joseph served on the board of the Reserve Bank of Zimbabwe (2015-2019) and currently chairs the boards of the of Star Africa Corporation Zimbabwe (ZSE: SACL), a local sugar refiner; as well as the board of the Infrastructure Development Bank of Zimbabwe (IDBZ).

Joseph has a BSc degree (with first class honours) from The London School of Economics; an MBA from the University of Zimbabwe and an MSc from HEC – Paris and Oxford University.

3.3 Independence

Joseph Mutizwa has no interests, position or relationship that might influence, or reasonably be perceived to influence, in a material respect his/her capacity to bring an independent judgement to bear on issues before the Board and to act in the best interest of the Company as a whole rather than in the interests of an individual security holder or other party.

If elected the Board considers Joseph Mutizwa will be an independent Director.

3.4 Other material information

The Company conducts appropriate checks on the background and experience of candidates before their appointment to the Board. These include checks as to a person's experience, educational qualifications, character, criminal record and bankruptcy history. The Company undertook such checks prior to the appointment of Joseph Mutizwa.

3.5 Board recommendation

The Board considers that Joseph Mutizwa's skills and experience will continue to enhance the Board's ability to perform its role. Accordingly, the Board supports the election of Joseph Mutizwa and recommends that Shareholders vote in favour of Resolution 8.

4. RESOLUTIONS 4-7 & 9 – ISSUE OF INCENTIVE OPTIONS TO DIRECTORS

4.1 General

The Company has agreed, subject to obtaining Shareholder approval, to issue 3,000,000 Options each to Dr Stuart Lake, Scott Macmillan, Barnaby Egerton-Warburton, Gabriel Chiappini and Joseph Mutizwa (or their nominees) (**Related Parties**) pursuant to the Incentive Option Plan (**Option Plan**) and on the terms and conditions set out below (**Incentive Options**).

4.2 Chapter 2E of the Corporations Act

Chapter 2E of the Corporations Act requires that 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 the Incentive Options to the Related Parties constitutes giving a financial benefit and each of the Related Parties is a related party of the Company by virtue of being a Director.

As the Incentive Options are proposed to be issued to all of the Directors, the Directors are unable to form a quorum to consider whether one of the exceptions set out in sections 210 to 216 of the Corporations Act applies to the issue of the Incentive Options. Accordingly, Shareholder approval for the issue of Incentive Options to the Related Parties is sought in accordance with Chapter 2E of the Corporations Act.

4.3 Listing Rule 10.11

Listing Rule 10.11 provides that unless one of the exceptions in Listing Rule 10.12 applies, a listed company must not issue or agree to issue equity securities to:

- 10.11.1 a related party;
- 10.11.2 a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (30%+) holder in the company;
- 10.11.3 a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (10%+) holder in the company and who has nominated a director to the board of the company pursuant to a relevant agreement which gives them a right or expectation to do so;
- 10.11.4 an associate of a person referred to in Listing Rules 10.11.1 to 10.11.3; or
- 10.11.5 a person whose relationship with the company or a person referred to in Listing Rules 10.11.1 to 10.11.4 is such that, in ASX's opinion, the issue or agreement should be approved by its shareholders,

unless it obtains the approval of its shareholders.

The issue of Options falls within Listing Rule 10.11.1 and does not fall within any of the exceptions in Listing Rule 10.12. It therefore requires the approval of Shareholders under Listing Rule 10.11.

Resolutions 4-8 and 10 seek the required Shareholder approval for the issue of the Options under and for the purposes of Chapter 2E of the Corporations Act and Listing Rule 10.11.

4.4 Technical information required by Listing Rule 14.1A

If Resolutions 4 to 7 and 9 are passed, the Company will be able to proceed with the issue of the Options to the Related Parties within one month after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the Listing Rules). As approval pursuant to Listing Rule 7.1 is not required for the issue of the Options (because approval is being obtained under Listing Rule 10.11), the issue of the Options will not use up any of the Company's 15% annual placement capacity.

If Resolutions 4 to 7 and 9 are not passed, the Company will not be able to proceed with the issue of the Options and the Board will consider alternatives to incentivise the Board.

4.5 Technical information required by Listing Rule 10.12 and section 219 of the Corporations Act

Pursuant to and in accordance with the requirements of Listing Rule 10.12 and section 219 of the Corporations Act, the following information is provided in relation to Resolutions 4 to 7 and 9:

- (a) the Incentive Options will be issued to the following persons:
 - (i) Dr Stuart Lake (or their nominee) pursuant to Resolution 4;
 - (ii) Scott Macmillan (or their nominee) pursuant to Resolution 5;
 - (iii) Barnaby Egerton-Warburton (or their nominee) pursuant to Resolution 6;
 - (iv) Gabriel Chiappini (or their nominee) pursuant to Resolution 7; and
 - (v) Joseph Mutizwa (or their nominee) pursuant to Resolution 9,each of whom falls within the category set out in Listing Rule 10.14.1 by virtue of being a Director;
- (b) the maximum number of Incentive Options to be issued to the Related Parties (being the nature of the financial benefit proposed to be given) is 15,000,000 comprising:
 - (i) 3,000,000 Incentive Options to Dr Stuart Lake (or his nominee) pursuant to Resolution 4;
 - (ii) 3,000,000 Incentive Options to Scott Macmillan (or his nominee) pursuant to Resolution 5;

- (iii) 3,000,000 Incentive Options to Barnaby Egerton-Warburton (or his nominee) pursuant to Resolution 6;
 - (iv) 3,000,000 Incentive Options to Gabriel Chiappini (or his nominee) pursuant to Resolution 7; and
 - (v) 3,000,000 Incentive Options to Joseph Mutizwa (or his nominee) pursuant to Resolution 9;
- (c) a summary of the material terms and conditions of the Incentive Options is set out in Schedule 3;
- (d) the Incentive Options are unquoted Options. The Company has chosen to issue Incentive Options to the Related Parties for the following reasons:
- (i) the Directors' Options issued at the time of finalising the Carbora Bassa transaction in 2018 are due to expire on 25 June 2021. The purpose of issuing new Options to the Related Parties is to include a performance-based incentive component in their remuneration package and further align the goals of the Directors with creating value for Shareholders;
 - (ii) the Incentive Options are unquoted; therefore, the issue of the Incentive Options has no immediate dilutionary impact on Shareholders;
 - (iii) the deferred taxation benefit which is available to the Related Parties in respect of an issue of Options is also beneficial to the Company as it means the Related Parties are not required to immediately sell the Incentive Options to fund a tax liability (as would be the case in an issue of Shares where the tax liability arises upon issue of the Shares) and will instead, continue to hold an interest in the Company; and
 - (iv) it is not considered that there are any significant opportunity costs to the Company or benefits foregone by the Company in issuing the Incentive Options on the terms proposed;
- (e) the number of Incentive Options to be issued to each of the Related Parties has been determined based upon a consideration of:
- (i) current market standards and/or practices of other ASX listed companies of a similar size and stage of development to the Company;
 - (ii) the remuneration of the Related Parties; and
 - (iii) incentives to attract and retain the service of the Related Parties who have appropriate knowledge and expertise, while maintaining the Company's cash reserves.

The Company does not consider that there are any significant opportunity costs to the Company or benefits foregone by the Company in issuing the Incentive Options upon the terms proposed;

- (f) the total remuneration package for each of the Related Parties for the previous financial year and the proposed total remuneration package for the current financial year are set out below:

Related Party	Current Financial Year	Previous Financial Year
Dr Stuart Lake	\$275,544 ¹	\$308,802
Scott Macmillan	\$458,385 ²	\$297,514
Barnaby Egerton-Warburton	\$244,635 ³	\$60,000
Gabriel Chiappini	\$244,635 ⁴	\$60,000
Joseph Mutizwa	\$189,635 ⁵	Nil

Notes:

For the avoidance of any doubt, the current financial year remuneration totals in the table above includes the benefit for the issue of the Incentive Options which are a non-cash award and there are no guarantees that the directors will benefit from the issue of the incentive options. Refer Schedule 4 for further details on value attributed to the Incentive Options.

1. Comprising Directors' fees of \$90,909 (based on annual fee of GBP£50,000 at AUD/GBP FX rate of £0.55), a superannuation payment of \$nil and share-based payments of \$184,635 (including the value of the Incentive Options).
2. Comprising Directors' salary of \$250,000, a superannuation payment of \$23,750 and share-based payments of \$184,635 (including the value of the Incentive Options).
3. Comprising Directors' fees of \$54,795, a superannuation payment of \$5,205 and share-based payments of \$184,635 including the value of the Incentive Options).
4. Comprising Directors' fees of \$60,000, a superannuation payment of \$nil and share-based payments of \$184,635 (including the value of the Incentive Options).
5. Comprising Directors' fees of \$5,000, a superannuation payment of \$nil and share-based payments of \$184,635 (including the value of the Incentive Options).

- (g) the value of the Incentive Options and the pricing methodology is set out in Schedule 4;
- (h) the Incentive Options will be issued to the Related Parties no later than 1 month after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the Listing Rules) and it is anticipated the Incentive Options will be issued on one date;
- (i) the issue price of the Incentive Options will be nil, as such no funds will be raised from the issue of the Incentive Options (other than in respect of funds received on exercise of the Incentive Options);
- (j) the purpose of the issue of the Incentive Options is to provide a performance linked incentive component in the remuneration package for the Related Parties to align the interests of the Related Parties with those of Shareholders, to motivate and reward the performance of the Related Parties in their roles as Directors and to provide a cost effective way from the Company to remunerate the Related Parties, which will

allow the Company to spend a greater proportion of its cash reserves on its operations than it would if alternative cash forms of remuneration were given to the Related Parties;

- (k) the relevant interests of the Related Parties in securities of the Company as at the date of this Notice are set out below:

Related Party	Shares ¹	Options ²	Performance Rights
Dr Stuart Lake	1,945,936	9,000,000	5,000,000
Scott Macmillan	73,271,547	-	72,778,748
Barnaby Egerton-Warburton	9,551,292	8,000,000	-
Gabriel Chiappini	4,653,344	4,000,000	-
Joseph Mutizwa	-	-	-

Notes:

1. Fully paid ordinary shares in the capital of the Company (ASX: IVZ).
2. Unquoted Options exercisable at between \$0.06 to \$0.12 each with various expiry dates.

- (l) if the Incentive Options issued to the Related Parties are exercised, a total of 15,000,000 Shares would be issued. This will increase the number of Shares on issue from 564,945,282 (being the total number of Shares on issue as at the date of this Notice) to 579,945,282 (assuming that no Shares are issued and no convertible securities vest or are exercised) with the effect that the shareholding of existing Shareholders would be diluted by an aggregate of 2.59%, comprising 0.52% by each of Dr Stuart Lake, Scott Macmillan, Barnaby Egerton-Warburton, Gabriel Chiappini and Joseph Mutizwa.

The market price for Shares during the term of the Incentive Options would normally determine whether the Incentive Options are exercised. If, at any time any of the Incentive Options are exercised and the Shares are trading on ASX at a price that is higher than the exercise price of the Incentive Options, there may be a perceived cost to the Company.

- (m) the trading history of the Shares on ASX in the 12 months before the date of this Notice is set out below:

	Price	Date
Highest	0.245	16 April 2021
Lowest	0.024	12 June 2020
Last	0.175	3 June 2021

- (n) each Director has a material personal interest in the outcome of Resolutions 4 to 7 and 9 on the basis that all of the Directors (or their nominees) are to be issued Incentive Options should Resolutions 4 to 7 and 9 be passed. For this reason, the Directors do not believe that it is appropriate to make a recommendation on Resolutions 4 to 7 and 9 of this Notice; and

- (o) the Board is not aware of any other information that is reasonably required by Shareholders to allow them to decide whether it is in the best interests of the Company to pass Resolutions 4 to 7 and 9.

5. RESOLUTION 10 – APPROVAL TO ISSUE SHARES TO DIRECTORS IN LIEU OF FEES DURING THE PERIOD 1 JUNE 2021 TO 30 MAY 2022 – MR JOSEPH MUTIZWA

5.1 General

Resolution 10 seeks Shareholder approval to enable Mr Joseph Mutizwa to convert all or some of the deferred fees/salary for the period from 1 June 2021 to 30 May 2022 into Shares (**Future Fee Shares**) in order to ensure the Company continues to be in a position to direct the funds necessary into the growth of its business and driving that business forward.

Accordingly, Mr Mutizwa has agreed that, subject to Shareholder approval, he will convert a portion of his accrued fees or salary (with the amount of fees or salary converted, if any, to be determined by each Director in their absolute discretion) into Shares pursuant to the Incentive Share Plan at the end of each financial quarter. The maximum amount of fees that may be converted for the period from 1 June 2021 to 30 May 2022 is:

- (a) up to AUD\$60,000, being up to 100% of his fees for the period;

The deemed issue price of the Future Fee Shares will be a 10% discount to the volume weighted average price (**VWAP**) of the Company's Shares trading on ASX over that financial quarter (**Issue Price**). The Company notes that the 10% discount to the Company's VWAP is intended to compensate for the taxes attaching to the issue of the Future Fee Shares that the Directors will be required to pay.

Accordingly, the Company is seeking Shareholder approval to, issue up to that number of Future Fee Shares to Mr Joseph Mutizwa (or his respective nominees) that, when multiplied by the Issue Price, will satisfy up to his maximum future accrued fees for that financial quarter.

5.2 Chapter 2E of the Corporations Act

A summary of Chapter 2E is set out in Section 4.2 above.

The issue of the Future Fee Shares to Mr Mutizwa (or his nominees) constitutes giving a financial benefit and Mr Mutizwa is a related party of the Company by virtue of being a Director. However, the Directors note that the Future Fee Shares for which approval is being sought is in lieu of cash remuneration that would otherwise be payable to them and is not in addition to their cash salaries.

5.3 Listing Rule 10.14

Listing Rule 10.14 provides that an entity must not permit any of the following persons to acquire equity securities under an employee incentive scheme without the approval of the holders of its ordinary securities:

- 10.14.1 a director of the entity;
- 10.14.2 an associate of a director of the entity; or
- 10.14.3 a person whose relationship with the entity or a person referred to in Listing Rules 10.14.1 to 10.14.2 is such that, in ASX's opinion, the

acquisition should be approved by security holders.

The issue of the Future Fee Shares to Mr Mutizwa falls within Listing Rule 10.14.1 and therefore requires the approval of Shareholders under Listing Rule 10.14.

Resolution 11 therefore seeks the required Shareholder approval for the issue of the Future Fee Shares to Mr Mutizwa under the Incentive Share Plan for the purposes of Listing Rule 10.14.

If Resolution 11 is passed, the Company will be able to proceed with the issue of Future Fee Shares to Mr Mutizwa under the Incentive Share Plan to Mr Mutizwa within three years after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the Listing Rules). As approval pursuant to Listing Rule 7.1 is not required for the issue of the Future Fee Shares (because approval is being obtained under Listing Rule 10.14), the issue of the Future Fee Shares will not use up any of the Company's 15% annual placement capacity.

If Resolution 10 is not passed, the Company will not be able to proceed with the issue of the Future Fee Shares. If the Future Fee Shares cannot be issued, the Company will be required to reach an alternative arrangement with Mr Mutizwa with respect to his fees including paying the accrued fees in cash, or holding additional meetings in order to seek Shareholder approval to issue Shares on conversion of the accrued fees.

5.4 Technical Information required by Listing Rule 10.15

Pursuant to and in accordance with Listing Rule 10.15, the following information is provided in relation to Resolution 10:

- (a) the Future Fee Shares will be issued Joseph Mutizwa (of his nominee) who falls within the category set out in Listing Rule 10.14.1 by virtue of being a Director;
- (b) the maximum number of Future Fee Shares to be issued to Mr Mutizwa (being the nature of the financial benefit proposed to be given) is that number of Future Fee Shares that, which when multiplied by the Issue Price, is equal to:
 - (i) AUD\$60,000 for Joseph Mutizwa, being up to 100% of his fees for the period (Resolution 11);
- (c) the current total remuneration package for Joseph Mutizwa is AUD\$60,000, comprising of directors' fees of AUD\$60,000.
- (d) the Future Fee Shares are intended to be issued at the end of each quarter (with the first issue to occur in October 2021). However, in any event, no Future Fee Shares will be issued later than 3 years after the date of the Meeting in accordance with the Listing Rules;
- (e) the Future Fee Shares will be issued at the Issue Price. The Company will not receive any consideration in respect of the issue of the Future Fee Shares. However, the Company will extinguish a portion of the outstanding liability to Mr Mutizwa for future accrued fees;
- (f) as set out in Section 5.1, the purpose of the issue of the Future Fee Shares is to ensure the Company continues to be in a position to direct the funds necessary into the growth of its business and driving that business forward;

- (g) the Future Fee Shares are fully paid ordinary shares in the capital of the Company on the same terms as existing Shares on issue;
- (h) no loan is being made relating to the issue of the Future Fee Shares; and
- (i) details of the Future Fee Shares issued under Resolution 10 will be published in the annual report of the Company relating to the period in which they are issued (being the financial year ended 30 June 2021 and 30 June 2022 (if applicable)), along with a statement that they were issued under approval obtained under Listing Rule 10.14. Any additional persons covered by Listing Rule 10.14 who become entitled to participate in any issue of securities under the Share Plan after these Resolutions are passed and who was not named in this Notice will not participate in the Share Plan until approval is obtained.

5.5 Maximum number of Shares to be issued on conversion of Director fees

Set out below is a worked example of the number of Shares that may be issued to the Director under the Plan for the period of June 2021 to July 2022, assuming that the temporary fee reduction continues for a full year and that Mr Mutizwa converts his full fee accrual as set out in Section 5.1.

The worked example set out in the below table is based on the assumed issue prices of \$0.07, \$0.135 and \$0.20, being the closing price on 18 May 2021 (**Closing Price**); and a 50% increase and 50% decrease to the Closing Price.

Maximum Director fee accrual ⁴		Number of Plan Shares issued on conversion of Director fees ^{1 2}		
		Deemed Issue Price ³		
		\$0.0675 50% decrease	\$0.135 Issue Price	\$0.2025 50% increase
Mr Joseph Mutizwa	\$60,000	888,888	444,444	296,296
TOTAL	\$60,000	888,888	444,444	296,296

Notes:

1. Rounded to the nearest whole number.
2. Assuming that the temporary fee reduction continues from June 2021 until July 2022 and that Mr Mutizwa converts all accrued fees into Shares under the Share Plan.
3. The Company notes that the above workings are an example only and the actual deemed issue price may differ. This will differ the maximum number of Shares that will be issued.
4. Based on Mr Mutizwa's total proposed remuneration of \$60,000 (set out in section 4.5(f) above).

GLOSSARY

\$ means Australian dollars.

ASIC means the Australian Securities & Investments Commission.

ASX means ASX Limited (ACN 008 624 691) or the financial market operated by ASX Limited, as the context requires.

Board means the current board of directors of the Company.

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

Capital Raising means the Company raising \$8,000,000 through the issue of 72,727,273 Shares at an issue price of \$0.11 per Share together with 1 free attaching Option for every 2 Shares subscribed for and issued.

Capital Raising Securities means the securities raised under the Capital Raising.

Chair means the chair of the Meeting.

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

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

Company means Invictus Energy Ltd (ACN 150 956 773).

Constitution means the Company's constitution.

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

Directors means the current directors of the Company.

Explanatory Statement means the explanatory statement accompanying the Notice.

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

Incentive Share Plan means the Incentive Share Plan adopted at the Company's Annual General Meeting dated 27 November 2020.

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.

Lead Manager Mandate means the engagement letter entered into between Invictus Energy Ltd and PAC Partners dated 11 March 2021.

Lead Manager Option means an option for the Lead Manager to acquire a Share as agreed under the Lead Manager Mandate with the terms and conditions set out in Schedule 2.

Listing Rules means the Listing Rules of ASX.

Management Fee means the 2% fee (plus GST) on the gross proceeds raised under the Capital Raising payable under the Lead Manager Mandate.

Notice or **Notice of Meeting** means this notice of meeting including the Explanatory Statement and the Proxy Form.

Option means an option to acquire a Share with the terms and conditions set out in Schedule 1.

Optionholder means a holder of an Option.

PAC Partners means PAC Partners Pty Ltd (ACN 165 738 438) (also **Lead Manager**).

Proxy Form means the proxy form accompanying the Notice.

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

Section means a section of the Explanatory Statement.

Selling Fee means the 4% fee (plus GST) on the gross proceeds raised under the Capital Raising payable under the Lead Manager Mandate.

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

Shareholder means a registered holder of a Share.

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

SCHEDULE 1 – TERMS AND CONDITIONS OF OPTIONS

(a) **Entitlement**

Each Option entitles the holder to subscribe for one Share upon exercise of the Option.

(b) **Exercise Price**

Subject to paragraph (i), the amount payable upon exercise of each Option will be \$0.17 (**Exercise Price**).

(c) **Expiry Date**

Each Option will expire at 5:00 pm (WST) on 29 March 2024 (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(d) **Exercise Period**

The Options are exercisable at any time on or prior to the Expiry Date (**Exercise Period**).

(e) **Notice of Exercise**

The Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

(f) **Exercise Date**

A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds (**Exercise Date**).

(g) **Timing of issue of Shares on exercise**

Within five Business Days after the Exercise Date, the Company will:

- (i) issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;
- (ii) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and
- (iii) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.

If a notice delivered under (g)(ii) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company

must, no later than 20 Business Days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.

(h) **Shares issued on exercise**

Shares issued on exercise of the Options rank equally with the then issued shares of the Company.

(i) **Reconstruction of capital**

If at any time the issued capital of the Company is reconstructed, all rights of an Optionholder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.

(j) **Participation in new issues**

There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options.

(k) **Change in exercise price**

An Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Option can be exercised.

(l) **Transferability**

The Options are transferable subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities laws.

SCHEDULE 2 – TERMS AND CONDITIONS OF LEAD MANAGER OPTIONS

(a) **Entitlement**

Each Option entitles the holder to subscribe for one Share upon exercise of the Option.

(b) **Exercise Price**

Subject to paragraph (i), the amount payable upon exercise of each Option will be \$0.17 (**Exercise Price**).

(c) **Expiry Date**

Each Option will expire on 30 March 2024 at 5:00 pm (WST) (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(d) **Exercise Period**

The Options are exercisable at any time on or prior to the Expiry Date (**Exercise Period**).

(e) **Notice of Exercise**

The Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

(f) **Exercise Date**

A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds (**Exercise Date**).

(g) **Timing of issue of Shares on exercise**

Within five Business Days after the Exercise Date, the Company will:

- (i) issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;
- (ii) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and
- (iii) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.

If a notice delivered under (g)(g)(ii) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 Business Days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.

(h) **Shares issued on exercise**

Shares issued on exercise of the Options rank equally with the then issued shares of the Company.

(i) **Reconstruction of capital**

If at any time the issued capital of the Company is reconstructed, all rights of an Optionholder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.

(j) **Participation in new issues**

There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options.

(k) **Change in exercise price**

An Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Option can be exercised.

(l) **Transferability**

The Options are transferable subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities laws.

SCHEDULE 3 – TERMS AND CONDITIONS OF INCENTIVE OPTIONS

(a) **Entitlement**

Each Option entitles the holder to subscribe for one Share upon exercise of the Option.

(b) **Exercise Price**

Subject to paragraph (i), the amount payable upon exercise of each Option will be 44% above the 5 day volume weighted average price on the date of issue and immediately following this meeting (**Exercise Price**).

(c) **Expiry Date**

Each Option will expire at 5:00 pm (WST) 3 years from date of issue (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

The Options will lapse on the cessation of a Director's office unless the Board determines that the Options should be held post their retirement or cessation of office.

(d) **Exercise Period**

The Options are exercisable at any time on or prior to the Expiry Date (**Exercise Period**).

(e) **Notice of Exercise**

The Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

(f) **Exercise Date**

A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds (**Exercise Date**).

(g) **Timing of issue of Shares on exercise**

Within five Business Days after the Exercise Date, the Company will:

- (i) issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;
- (ii) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and

- (iii) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.

If a notice delivered under (g)(g)(ii) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 Business Days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.

(h) **Shares issued on exercise**

Shares issued on exercise of the Options rank equally with the then issued shares of the Company.

(i) **Reconstruction of capital**

If at any time the issued capital of the Company is reconstructed, all rights of an Optionholder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.

(j) **Participation in new issues**

There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options.

(k) **Change in exercise price**

An Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Option can be exercised.

(l) **Transferability**

The Options are transferable subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities laws.

SCHEDULE 4 – VALUATION OF INCENTIVE OPTIONS

The Incentive Options to be issued to the Related Parties pursuant to Resolutions 4 to 7 and 9 have been valued by internal management.

Using the Binomial option pricing model and based on the assumptions set out below, the Incentive Options were ascribed the following value:

Assumptions:	
Valuation date	12 May 2021
Market price of Shares	14 cents
Exercise price	20 cents
Expiry date (length of time from issue)	3 years from issue
Risk free interest rate	1.0%
Volatility (discount)	80%
Indicative value per Incentive Option	6.15 cents
Total Value of Incentive Options	\$923,175.00
- Dr Stuart Lake (Resolution 4)	\$184,635.00
- Scott Macmillan (Resolution 5)	\$184,635.00
- Barnaby Egerton-Warburton (Resolution 6)	\$184,635.00
- Gabriel Chiappini (Resolution 7)	\$184,635.00
- Joseph Mutizwa (Resolution 9)	\$184,635.00

Note: The valuation noted above is not necessarily the market price that the Incentive Options could be traded at and is not automatically the market price for taxation purposes.

LODGE YOUR VOTE



ONLINE

www.linkmarketservices.com.au



BY MAIL

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



BY FAX

+61 2 9287 0309



BY HAND

Link Market Services Limited
1A Homebush Bay Drive, Rhodes NSW 2138



ALL ENQUIRIES TO

Telephone: 1300 554 474 Overseas: +61 1300 554 474

LODGE A PROXY FORM

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below by **10am (WST) on Tuesday, 6 July 2021**, being not later than 48 hours before the commencement of the Meeting. Any Proxy Form received after that time will not be valid for the scheduled Meeting.

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



ONLINE

www.linkmarketservices.com.au

Login to the Link website using the holding details as shown on the Proxy Form. Select 'Voting' and follow the prompts to lodge your vote. To use the online lodgement facility, shareholders will need their "Holder Identifier" - Securityholder Reference Number (SRN) or Holder Identification Number (HIN).



BY MOBILE DEVICE

Our voting website is designed specifically for voting online. You can now lodge your proxy by scanning the QR code adjacent or enter the voting link www.linkmarketservices.com.au into your mobile device. Log in using the Holder Identifier and postcode for your shareholding.

To scan the code you will need a QR code reader application which can be downloaded for free on your mobile device.

QR Code



HOW TO COMPLETE THIS SHAREHOLDER PROXY FORM

YOUR NAME AND ADDRESS

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

APPOINTMENT OF PROXY

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

DEFAULT TO CHAIRMAN OF THE MEETING

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

VOTES ON ITEMS OF BUSINESS – PROXY APPOINTMENT

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

APPOINTMENT OF A SECOND PROXY

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

To appoint a second proxy you must:

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

SIGNING INSTRUCTIONS

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

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

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

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

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

CORPORATE REPRESENTATIVES

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

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

PROXY FORM

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

APPOINT A PROXY

the Chairman of the Meeting (*mark box*)

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

or failing the person or body corporate named, or if no person or body corporate is named, the Chairman of the Meeting, as my/our proxy to act on my/our behalf (including to vote in accordance with the following directions or, if no directions have been given and to the extent permitted by the law, as the proxy sees fit) at the General Meeting of the Company to be held at **10am (WST) on Thursday, 8 July 2021 at Invictus Energy Ltd, Ground Floor, 24 Outram Street, WEST PERTH WA 6005** (the Meeting) and at any postponement or adjournment of the Meeting.

Important for Resolutions 4-7, 9 & 10: If the Chairman of the Meeting is your proxy, either by appointment or by default, and you have not indicated your voting intention below, you expressly authorise the Chairman of the Meeting to exercise the proxy in respect of Resolutions 4-7, 9 & 10, even though the Resolutions are connected directly or indirectly with the remuneration of a member of the Company's Key Management Personnel (**KMP**).

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

VOTING DIRECTIONS

Proxies will only be valid and accepted by the Company if they are signed and received no later than 48 hours before the Meeting.

Please read the voting instructions overleaf before marking any boxes with an

Resolutions

	For	Against	Abstain*		For	Against	Abstain*
1 Ratification of Prior Issue of Shares and Options	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	9 Approval to Issue Options to Joseph Mutizwa	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Ratification of Prior Issue of Shares – Listing Rule 7.1A	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	10 Approval to Issue Shares to Director in Lieu of Fees during the period 1 June 2021 to 30 May 2022 - Mr Joseph Mutizwa	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 Approval to Issue Options to Lead Manager	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
4 Approval to Issue Options to Dr Stuart Lake	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
5 Approval to Issue Options to Scott Macmillan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
6 Approval to Issue Options to Barnaby Egerton-Warburton	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
7 Approval to Issue Options to Gabriel Chiappini	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
8 Election of Director – Mr Joseph Mutizwa	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				



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

SIGNATURE OF SHAREHOLDERS – THIS MUST BE COMPLETED

Shareholder 1 (Individual)

Sole Director and Sole Company Secretary

Joint Shareholder 2 (Individual)

Director/Company Secretary (Delete one)

Joint Shareholder 3 (Individual)

Director

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

IVZ PRX2101D

