



Notice of Annual General Meeting

The Annual General Meeting of the Company will be held at the offices of Allens, Level 26, 480 Queen Street, Brisbane, Queensland 4000 on Wednesday 13 November 2019 at 3pm (EST).

This notice of annual general meeting should be read in its entirety. If Shareholders are in any doubt as to how they should vote, they should seek advice from their professional advisor prior to voting.

Please contact the Company Secretary on 0439 310 818 or suzanne.yeates@oasolutions.com.au if you wish to discuss any matter concerning the Meeting.

State Gas Limited
ACN 617 322 488

Notice of Annual General Meeting

Notice is hereby given that the Annual General Meeting of the Shareholders of State Gas Limited will be held at the offices of Allens, Level 26, 480 Queen Street, Brisbane, Queensland 4000 on Wednesday 13 November 2019 at 3pm (Eastern Standard Time) (Meeting).

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

Shareholders are urged to vote by attending the Meeting in person or by returning a completed Proxy Form. Instructions on how to complete a Proxy Form are set out in the Explanatory Memorandum.

Proxy Forms must be received by no later than 3pm (EST) on Monday 11 November 2019.

Terms and abbreviations used in this Notice and Explanatory Memorandum are defined in Schedule 1 of the Explanatory Memorandum.

Agenda

ANNUAL REPORT

To receive and consider the financial statements of the Company and the reports of the Directors and Auditors for the financial year ended 30 June 2019.

RESOLUTION 1 - REMUNERATION REPORT (NON-BINDING)

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

“That for the purposes of section 250R(2) of the Corporations Act and for all other purposes, approval is given for the adoption of the Remuneration Report as set out in the Directors’ Report for the financial year ending 30 June 2019.”

A voting exclusion statement is set out below.

Note: the vote on this Resolution is advisory only and does not bind the Directors or the Company.

RESOLUTION 2 - RE-ELECTION OF DIRECTOR - MR ANTHONY BELLAS

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

“That Mr Anthony Bellas, who retires by rotation in accordance with clause 18.4(b) of the Company’s Constitution and for all other purposes, offers himself for re-election, be re-elected as a Director.”

RESOLUTION 3 - RE-ELECTION OF DIRECTOR - MR GREGORY BAYNTON

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

“That Mr Gregory Baynton, who retires by rotation in accordance with clause 18.4(b) of the Company’s Constitution and for all other purposes, offers himself for re-election, be re-elected as a Director.”

RESOLUTION 4 - RE-ELECTION OF DIRECTOR - MR IAN PATON

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

“That Mr Ian Paton, who retires by rotation in accordance with clause 18.4(b) of the Company’s Constitution and for all other purposes, offers himself for re-election, be re-elected as a Director.”

RESOLUTION 5 - RATIFICATION OF PRIOR SECURITIES ISSUE

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

“That for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 7,000,000 fully paid ordinary shares in the capital of the Company to Pherous Holdings Group Pty Limited on the terms set out in the Explanatory Memorandum.”

A voting exclusion statement is set out below.

RESOLUTION 6 - ISSUE OF PERFORMANCE RIGHTS TO MR RICHARD COTTEE

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

“That for the purposes of ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue 5,000,000 Performance Rights (Cottee Performance Rights) to Mr Richard Cottee (or his nominee) on the terms and conditions set out in the Explanatory Memorandum.”

A voting exclusion statement is set out below.

RESOLUTION 7 - APPROVAL OF THE EQUITY INCENTIVE PLAN

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

“That, for the purposes Listing Rule 7.2 (Exception 9(b)) and for all other purposes, Shareholders approve the Equity Incentive Plan on the terms and conditions set out in the Explanatory Memorandum.”

A voting exclusion statement is set out below.

RESOLUTION 8 - APPROVAL OF 10% PLACEMENT FACILITY

To consider and, if thought fit, to pass the following as a **special resolution**:

“That, for the purposes of Listing Rule 7.1A and for all other purposes, Shareholders approve the issue of Equity Securities up to 10% of the issued capital of the Company (at the time of the issue) calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and on the terms and conditions in the Explanatory Memorandum.”

A voting exclusion statement is set out below.

VOTING PROHIBITION AND EXCLUSION STATEMENTS

Corporations Act

The Corporations Act prohibits votes being cast (in any capacity) on the following resolutions by any of the following persons:

Resolution	Persons Excluded from Voting
Resolution 1 - Remuneration Report (Non-Binding)	<p>A vote on this Resolution must not be cast (in any capacity) by or on behalf of the following persons:</p> <ul style="list-style-type: none">(a) a member of the Key Management Personnel, details of whose remuneration are included in the Remuneration Report; or(b) a Closely Related Party of such a member. <p>However, a person described above may cast a vote on this Resolution as a proxy if the vote is not cast on behalf of a person described above and either:</p> <ul style="list-style-type: none">(a) the voter is appointed as a proxy by writing that specifies the way the proxy is to vote on this Resolution; or(b) the voter is the Chair of the Meeting and the appointment of the chair as proxy:<ul style="list-style-type: none">(i) does not specify the way the proxy is to vote on this Resolution; and(ii) expressly authorises the Chair to exercise the proxy even if this Resolution is connected directly or

indirectly with the remuneration of a member of the Key Management Personnel for the Company.

Listing Rule 14.11

Under Listing Rule 14.11, the Company will disregard any votes cast on the following Resolutions by the following persons and their associates:

Resolution	Persons excluded from voting
Resolution 5 - Ratification of Prior Securities Issue	Persons who participated in the issue.
Resolution 6 - Issue of Performance Rights to Mr Richard Cottee	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 entity).
Resolution 7 - Approval of The Equity incentive Plan	The Directors of the Company who are eligible to participate in any employee incentive scheme in relation to the Company.
Resolution 8 - Approval of 10% Placement Facility	Persons who may participate in the proposed issue and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if the Resolution is passed.

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

By order of the Board of Directors



Suzanne Yeates
State Gas Limited
14 October 2019

STATE GAS LIMITED
ACN 617 322 488

Explanatory Memorandum

INTRODUCTION

This Explanatory Memorandum has been prepared for the information of Shareholders in connection with the business to be conducted at the Meeting to be held at the offices of Allens, Level 26, 480 Queen Street, Brisbane, Queensland 4000 Wednesday 13 November 2019 at 3pm (Eastern Standard Time). The purpose of this Explanatory Memorandum is to provide information to Shareholders in deciding how to vote on the Resolutions set out in the Notice.

This Explanatory Memorandum should be read in conjunction with and forms part of the accompanying Notice, and includes the following:

1	ACTION TO BE TAKEN BY SHAREHOLDERS	5
2	ANNUAL REPORT	7
3	RESOLUTION 1 - REMUNERATION REPORT	8
4	RESOLUTIONS 2 TO 4 - RE-ELECTION OF DIRECTORS	9
5	RESOLUTION 5 - RATIFICATION OF PRIOR SECURITIES ISSUE	9
6	RESOLUTION 6 - ISSUE OF PERFORMANCE RIGHTS TO MR RICHARD COTTEE.....	10
7	RESOLUTION 7 - APPROVAL OF THE EQUITY INCENTIVE PLAN	12
8	RESOLUTION 8 - APPROVAL OF 10% PLACEMENT FACILITY.....	13
	SCHEDULE 1 DEFINITIONS	19
	SCHEDULE 2 TERMS OF COTTEE PERFORMANCE RIGHTS.....	21
	SCHEDULE 3 - TERMS OF THE EQUITY INCENTIVE PLAN	23
	SCHEDULE 4 - INFORMATION REQUIRED BY LISTING RULE 7.3A.6(B).....	26

A Proxy Form is located at the end of this Explanatory Memorandum.

Please contact the Company Secretary on 0439 310 818 or suzanne.yeates@oasolutions.com.au if you wish to discuss any matter concerning the Meeting.

1 ACTION TO BE TAKEN BY SHAREHOLDERS

Shareholders should read the Notice and this Explanatory Memorandum carefully before deciding how to vote on the Resolutions.

1.1 Voting in person

All Shareholders are invited and encouraged to attend the Meeting.

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

1.2 Voting by Proxy

If a Shareholder is unable to attend in person, they can appoint a proxy to attend on their behalf by signing and returning the Proxy Form (attached to the Notice) to the Company in accordance with the instructions on the Proxy Form.

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

- (a) each Shareholder has the right to appoint a proxy;
- (b) the proxy need not be a Shareholder of the Company; and
- (c) a Shareholder who is entitled to cast 2 or more votes may appoint 2 proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the member appoints 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 half of the votes.

The Company encourages Shareholders completing a Proxy Form to direct the proxy how to vote on each Resolution.

The Proxy Form must be received no later than 48 hours before the commencement of the Meeting, i.e. by no later than 3pm on Monday 11 November 2019. Any Proxy Form received after that time will not be valid for the Meeting.

A Proxy Form may be lodged using the reply paid envelope provided or online at 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" (Security Reference Number (SRN) or Holding Identification Number (HIN) as shown on the Proxy Form.

Shareholders lodging a Proxy Form are not precluded from attending and voting in person at the Meeting.

1.3 Corporate representatives

Shareholders who are body corporates may appoint a person to act as their corporate representative at the Meeting by providing that person with a certificate or letter executed in accordance with the Corporations Act authorising him or her to act as the body corporate's representative. The authority may be sent to the Company and/or registry in advance of the Meeting or handed in at the Meeting when registering as a corporate representative.

An appointment of corporate representative form is available from the website of the Company's share registry (Link Market Services, www.linkmarketservices.com.au).

1.4 Eligibility to vote

For the purposes of regulations 7.11.37 and 7.11.38 of the Corporations Act Regulations, the Directors have determined that, for the purposes of voting at the Meeting, Shareholders are those persons who are the registered holders of Shares at 7 pm (EDT) on 11 November 2019.

2 ANNUAL REPORT

Shareholders will be offered the opportunity to:

- (a) discuss the Annual Report for the financial year ended 30 June 2019 which is available on the ASX platform at www.asx.com.au; and
- (b) ask questions about or make comment on the management of the Company.

The chair of the Meeting will allow reasonable opportunity for the Shareholders as a whole at the Meeting to ask the auditor or the auditor's representative questions relevant to:

- (a) the conduct of the audit;
- (b) the preparation and content of the auditor's report;
- (c) accounting policies adopted by the Company in relation to the preparation of the financial statements; and
- (d) the independence of the auditor in relation to the conduct of the audit.

In addition to taking questions at the Meeting, written questions to the Company's auditor about:

- (a) the content of the auditor's report to be considered at the Meeting; and
- (b) the conduct of the audit of the annual financial report to be considered at the Meeting,

may be submitted no later than 5 business days before the Meeting to the Company Secretary at the Company's registered office.

There is no requirement for Shareholders to approve the Annual Report.

3 RESOLUTION 1 - REMUNERATION REPORT

3.1 Introduction

The Remuneration Report is in the Directors' Report section of the Company's Annual Report.

By way of summary, the Remuneration Report:

- (a) explains the Company's remuneration policy and the process for determining the remuneration of its Directors and executive officers;
- (b) addresses the relationship between the Company's remuneration policy and the Company's performance; and
- (c) sets out remuneration details for each Director and each of the Company's executives and group executives named in the Remuneration Report for the financial year ended 30 June 2019.

Section 250R(2) of the Corporations Act requires companies to put a resolution to their members that the Remuneration Report be adopted. The vote on this resolution is advisory only, however, and does not bind the Board or the Company. The Board will consider the outcome of the vote and comments made by Shareholders on the Remuneration Report at the Meeting when reviewing the Company's remuneration policies.

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

3.2 Voting consequences

Under the Corporations Act, if 25% or more of votes that are cast are voted against the adoption of the Remuneration Report at two consecutive annual general meetings, Shareholders will be required to vote at the second of those annual general meetings on a resolution that a further meeting is held at which all of the Company's Directors who were directors when the resolution to make the directors report considered at the later annual general meeting was passed (other than the Managing Director) must go up for re-election (**Spill Resolution**).

If more than 50% of votes cast are in favour of the Spill Resolution, the Company must convene a shareholder meeting (**Spill Meeting**) within 90 days of the second annual general meeting.

All of the directors of the company who were directors of the Company when the resolution to make the directors' report considered at the second annual general meeting was passed, other than the managing director of the company, will cease to hold office immediately before the end of the Spill Meeting but may stand for re-election at the Spill Meeting.

3.3 Previous voting results

At the Company's previous annual general meeting the votes cast against the remuneration report considered at that annual general meeting were less than 25%. Accordingly, the Spill Resolution is not relevant for this Annual General Meeting.

4 RESOLUTIONS 2 TO 4 - RE-ELECTION OF DIRECTORS

4.1 Introduction

ASX Listing Rule 14.4 and Rule 18.4(b) of the Company's Constitution provides that a director of an entity must not hold office (without re-election) past the third annual general meeting following the director's appointment or 3 years, whichever is the longer.

Mr Bellas was appointed as a Director on 16 June 2017. Details of Mr Bellas' qualifications and experience are set out in the Company's 2019 Annual Report. In accordance with Rule 18.4(b), Mr Bellas retires at the conclusion of the Meeting and offers himself for re-election.

Mr Gregory Baynton was appointed as a Director on 7 June 2017. Details of Mr Baynton's qualifications and experience are set out in the Company's 2019 Annual Report. In accordance with Rule 18.4(b), Mr Baynton retires at the conclusion of the Meeting and offers himself for re-election.

Mr Ian Paton was appointed as a Director on 16 August 2017. Details of Mr Paton's qualifications and experience are set out in the Company's 2019 Annual Report. In accordance with Rule 18.4(b), Mr Paton retires at the conclusion of the Meeting and offers himself for re-election.

4.2 Directors' recommendation

The Board (in each case excluding the relevant candidate) recommends that Shareholders vote in favour of Resolutions 2 to 4.

5 RESOLUTION 5 - RATIFICATION OF PRIOR SECURITIES ISSUE

5.1 Introduction

On 17 June 2019 the Company issued 7,000,000 Shares to Pherous Holdings Group Pty Limited, a sophisticated investor, to raise \$4,900,000 before costs.

These securities were issued to unrelated parties of the Company and within the 15% annual limit permitted by Listing Rule 7.1; and therefore without the need for Shareholder approval. The effect of Shareholders passing Resolution 5 and ratifying the issue will be to restore the Company's ability to issue further capital to the maximum 15% limit during the next 12 months.

5.2 Information required by Listing Rule 7.5

For the purposes of Listing Rule 7.5, the following information is provided about the issue:

- (a) The number of securities issued by the Company was 7,000,000 Shares.
- (b) The price at which the securities were issued was \$0.70 per Share.
- (c) The securities issued were fully paid ordinary shares in the capital of the Company ranking equally with all other Shares on issue.
- (d) The securities were issued to Pherous Holdings Group Pty Limited, who was not a related party of the Company.
- (e) The use (or intended use) of the funds raised is to fund further drilling, testing and appraisal activities at the Reid's Dome Gas Project in the Bowen Basin in Central Queensland.
- (f) A voting exclusion statement is included in the Notice.

5.3 Directors' recommendation

The Board unanimously recommends that Shareholders vote in favour of Resolution 5. This will restore the 15% annual limit permitted by Listing Rule 7.1 and allow the Company to issue further securities without Shareholder approval.

6 RESOLUTION 6 - ISSUE OF PERFORMANCE RIGHTS TO MR RICHARD COTTEE

6.1 Introduction

On 3 June 2019 the Company announced the appointment of Mr Richard Cottee as the Company's Executive Chairman. A term of his appointment was that the Company grant Mr Cottee 5,000,000 Performance Rights, with vesting conditions as follows and otherwise on the terms in Schedule 2 (Cottee Performance Rights):

Tranche	Vesting Condition	Number of Cottee Performance Rights
Sign-on Bonus	Completion of two (2) years of service as Executive Chairman of State Gas Limited	500,000
Phase 1 Work Program	Executive Chairman to develop and arrange funding for, and deliver Phase 1 Work Program within the Reid's Dome Gas Project.	1,000,000
Phase 2 Work Program	If required by the Board, Executive Chairman to develop and arrange funding for, and deliver	1,000,000

	Phase 2 Work Program within the Reid's Dome Gas Project.	
Corporate Transaction	Delivery and completion of a change-of-control transaction for State Gas that is recommended to shareholders by the Board of Directors.	2,000,000
Strategic Acquisition	If required by the Board, completion of a material strategic acquisition by State Gas.	500,000

All unvested Cottee Performance Rights will lapse on termination of the Executive's Position, or three years after Mr Cottee's appointment, whichever is earlier.

The Cottee Performance Rights will not vest in the event of a change of control, which will be deemed to occur if there is a change in the voting power in State Gas Limited of 50% or more, other than the Corporate Transaction tranche set out in the table above.

Mr Cottee will also be paid an Executive Chairman's fee of \$100,000 (gross) per annum.

6.2 Requirement for Shareholder approval

Chapter 2E of the Corporations Act

Chapter 2E of the Corporations Act prohibits a public company from giving a financial benefit to a related party of the company unless either:

- (a) the giving of the financial benefit falls within one of the exceptions to the provision; or
- (b) prior shareholder approval is obtained to the giving of the financial benefit.

Related party is widely defined under the Corporations Act, and includes directors of a company.

An exception to the prohibition is where the benefit is remuneration and its giving is reasonable given the circumstances of the entity giving the remuneration and the related party's circumstances (including the responsibilities involved in the office or employment).

The Board, other than Mr Cottee, have determined that Mr Cottee's remuneration package is reasonable given the Company and Mr Cottee's circumstances so that Shareholder approval is not required under Chapter 2E of the Corporations Act.

Listing Rules

Listing Rule 10.11 requires a listed company to obtain Shareholder approval by ordinary resolution prior to the issue of securities to a related party. If shareholder approval is obtained under Listing Rule 10.11, shareholder approval is not required

under Listing Rule 7.1 and the proposed issue will not be included in the 15% annual limit permitted by Listing Rule 7.1.

6.3 Information required by Listing Rule 10.13

For the purposes of Listing Rule 10.13, the following information is provided about the proposed issue:

- (a) The securities will be issued to Mr Richard Cottee who is a Director of the Company.
- (b) The maximum number of Performance Rights to be issued to Mr Cottee is 5,000,000.
- (c) The Cottee Performance Rights will be granted for nil cash consideration. Accordingly, no funds will be raised.
- (d) The Cottee Performance Rights will be issued no later than 1 month 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 will occur on the same date.
- (e) The terms of the Cottee Performance Rights are set out in Schedule 2.
- (f) A voting exclusion statement is included in the Notice.

6.4 Directors' recommendation

The Directors (with Mr Cottee abstaining) unanimously recommend that Shareholders vote in favour of Resolution 6. Mr Cottee abstains from making a recommendation given his personal interest in the outcome of the voting on this resolution.

7 RESOLUTION 7 - APPROVAL OF THE EQUITY INCENTIVE PLAN

7.1 Introduction

The State Gas Equity Incentive Plan is intended to provide an opportunity to eligible participants to participate in the Company's future growth and provide an incentive to contribute to that growth. The State Gas Equity Incentive Plan is further designed to assist in attracting and retaining employees.

A copy of the State Gas Equity Incentive Plan will be made available for inspection at the Meeting. A summary of the State Gas Equity Incentive Plan is set out in Schedule 3.

A total of 5,000,000 Options have been issued under the plan since the Company's listing in 2017.

7.2 Requirement for Shareholder approval

Shareholder approval is not required under the Corporations Act or the ASX Listing Rules for the establishment or operation of the State Gas Equity Incentive Plan.

However, Shareholder approval is being sought to allow the Company to rely on an exception to the calculation of the 15% limit imposed by ASX Listing Rule 7.1 on the number of securities that may be issued without shareholder approval.

ASX Listing Rule 7.2 exception 9(b) provides that ASX Listing Rule 7.1 does not apply to an issue of securities under an employee incentive scheme that has been approved by shareholders and the issue of securities is within 3 years from the date of shareholder approval of the issue of securities under the employee incentive scheme.

If an offer is made to a Director to participate in the State Gas Equity Incentive Plan then separate Shareholder approval will need to be obtained prior to securities being issued to Directors under the State Gas Equity Incentive Plan.

7.3 Directors' recommendation

The Directors unanimously recommend that Shareholders vote in favour of Resolution 7. It will allow the Company to issue securities for the benefit of participants of the State Gas Equity Incentive Plan whilst preserving the Company's 15% limit of issuing securities and provide flexibility in the manner in which the State Gas Equity Incentive Plan is managed.

8 RESOLUTION 8 - APPROVAL OF 10% PLACEMENT FACILITY

8.1 General

The Company seeks Shareholder approval to issue Equity Securities up to 10% of its issued share capital through placements over a 12 month period following shareholder approval (**10% Placement Facility**).

The exact number of Equity Securities to be issued under the 10% Placement Facility will be determined in accordance with the formula prescribed in Listing Rule 7.1A.2 (refer to section 8.3(a) below).

Resolution 8 is a special resolution and therefore requires approval of 75% of the votes cast by Shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative).

8.2 Directors' recommendation

The Board unanimously recommends that Shareholders vote in favour of Resolution 8. This will allow the Company to issue securities and raise funds whilst preserving the Company's 15% annual limit permitted by Listing Rule 7.1.

8.3 Listing Rule 7.1A

Listing Rule 7.1A enables eligible entities to issue Equity Securities up to 10% of its issued share capital through placements over a 12 month period following shareholder approval by way of a special resolution. The 10% Placement Facility is in addition to the Company's 15% placement capacity under Listing Rule 7.1.

An eligible entity for the purposes of Listing Rule 7.1A is an entity that is not included in the S&P/ASX 300 Index and has a market capitalization of \$300 million or less. The Company is an eligible entity.

(a) Maximum number of Equity Securities which may be issued

The number of Equity Securities which may be issued, or agreed to be issued, under the 10% Placement Facility is prescribed in Listing Rule 7.1A.2 and is calculated as follows:

$\text{Number of Equity Securities} = (A \times D) - E$

"A" the number of shares on issue 12 months before the date of issue or agreement:

- (A) plus the number of fully paid shares issued in the 12 months under an exception in Listing Rule 7.2;
- (B) plus the number of partly paid shares that become fully paid in the 12 months;
- (C) plus the number of fully paid shares issued in the 12 months with approval of holders of shares under Listing Rule 7.1 and 7.4. This does not include an issue of fully paid shares under the entity's 15% placement capacity without shareholder approval;
- (D) less the number of fully paid shares cancelled in the 12 months.

"D" is 10%

"E" is the number of Equity Securities issued or agreed to be issued under Listing Rule 7.1A.2 in the 12 months before the date of issue or agreement to issue that are not issued with the approval of shareholders under Listing Rule 7.1 or 7.4.

The actual number of Equity Securities that may be issued under Listing Rule 7.1A is calculated at the date of issue of the Equity Securities in accordance with the above formula.

The ability of an entity to issue Equity Securities under Listing Rule 7.1A is in addition to the entity's 15% placement capacity under Listing Rule 7.1.

As the date of this Notice, the Company has on issue the following securities:

- (i) 143,424,323 Shares; and
- (ii) 7,000,000 unlisted Options; and
- (iii) 2,500,000 unlisted Performance Rights.

As a result, the Company has a capacity to issue:

- (i) subject to Shareholders approving Resolution 5, 21,513,648 Equity Securities under Listing Rule 7.1; and
- (ii) subject to Shareholders approving Resolution 8, 14,342,432 Equity Securities under Listing Rule 7.1A.

(b) Minimum Issue Price

The issue price of Equity Securities issued under Listing Rule 7.1A.3 must be not less than 75% of the VWAP of Equity Securities in the same class calculated over the 15 Trading Days on which trades in that class were recorded immediately before:

- (i) the date on which the price at which the Equity Securities are to be issued is agreed; or
- (ii) if the Equity Securities are not issued within 5 Trading Days of the date in paragraph (i) above, the date on which the Equity Securities are issued.

8.4 Specific information required by Listing Rule 7.3A

For the purposes of Listing Rule 7.3A, the following information is provided about the proposed issue:

- (a) The Equity Securities will be issued at an issue price of not less than 75% of the VWAP for the Company's Equity Securities over the 15 Trading Days on which trades in that class were recorded immediately before:
 - (i) the date on which the price at which the Equity Securities are to be issued is agreed; or
 - (ii) if the Equity Securities are not issued within 5 Trading Days of the date in paragraph (i) above, the date on which the Equity Securities are issued.
- (b) There is a risk of economic and voting dilution to existing Shareholders in approving the 10% Placement Facility, including the risks that:
 - (i) the market price for the Company's Equity Securities may be significantly lower on the date of the issue of the Equity Securities than when Shareholders approve the 10% Placement Facility; and
 - (ii) the Equity Securities may be issued at a price that is at a discount to the market price for the Company's Equity Securities on the issue date, or issued for non-cash consideration for the acquisition of a new asset.

Following is a table that sets out the potential dilution of existing Shareholders if Equity Securities are issued under the 10% Placement Facility:

Variable "A" in Listing Rule 7.1A.2	Dilution
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		\$0.375 50% decrease in Issue Price	\$0.75 Issue Price	\$1.50 100% increase in Issue Price
Current Variable A (143,424,323 shares)	10% Voting Dilution	14,342,432	14,342,432	14,342,432
	Funds Raised	\$5,378,412	\$10,756,824	\$21,513,648
50% increase in current Variable A (215,136,485 shares)	10% Voting Dilution	21,513,649	21,513,649	21,513,649
	Funds Raised	\$8,067,618	\$16,135,237	\$32,270,474
100% increase in current Variable A (286,848,646 shares)	10% Voting Dilution	28,684,865	28,684,865	28,684,865
	Funds Raised	\$10,756,824	\$21,513,649	\$43,027,298

The table has been prepared on the following assumptions:

- (i) The Company issues, or agrees to issue, the maximum number of Equity Securities available under the 10% Placement Facility.
- (ii) No quoted Options (including any quoted Options issued under the 10% Placement Facility) are exercised into Shares before the date of the issue of the Equity Securities.
- (iii) The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.
- (iv) The issue of Equity Securities under the 10% Placement Facility consists only of Shares. If the issue of Equity Securities includes quoted Options, it is assumed that those quoted Options are exercised into Shares for the purpose of calculating the voting dilution effect on existing Shareholders.
- (v) The issue price is \$0.75 being the closing price of the Shares on ASX on 1 October 2019.

The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement Facility, based on that Shareholder's holding at the date of the Meeting.

The table shows only the effect of issues of Equity Securities under Listing Rule 7.1A, not under the 15% placement capacity under Listing Rule 7.1.

- (c) The latest date by which Equity Securities may be issued is 12 months after the Meeting. Approval for the issue of Equity Securities under the 10% Placement Facility will cease to be valid in the event that Shareholders approve a transaction under Listing Rule 11.1.2 (a significant change to the

nature or scale of activities) or Listing Rule 11.2 (disposal of main undertaking).

- (d) The Equity Securities may be issued for the following purposes:
- (i) to raise funds, in which case the Company intends to use the funds raised towards further drilling, testing and appraisal activities at the Reid's Dome Gas Project in the Bowen Basin in Central Queensland, to acquire an as yet identified asset or investment, for exploration and development on other projects that the Company may potentially acquire, or for general working capital; or
 - (ii) in consideration of the acquisition of new resources assets and investments, in which case the Company will provide a valuation of the non-cash consideration as required by Listing Rule 7.1A.3..

The Company will comply with the disclosure obligations under Listing Rules 7.1A.4 and 3.10.5A upon issue of any Equity Securities.

- (e) The Company is yet to identify the persons to whom Equity Securities will be issued to under the 10% Placement Facility. The Company's policy for allocating Equity Securities issued under the 10% Placement Facility will be determined on a case-by-case basis depending upon the purpose, and prevailing market conditions at the time, of any issue and having regard to factors including but not limited to the following:
- (i) The fundraising methods available to the Company, including but not limited to, rights issue or other issue which may minimise dilution to Shareholders.
 - (ii) In the case of an asset or investment acquisition, the nature and circumstances of the acquisition.
 - (iii) The effect of the issue of the Equity Securities on the control of the Company.
 - (iv) The financial situation and solvency of the Company.
 - (v) Advice from corporate, financial and broking advisers (if applicable).

The subscribers may include vendors (in the case of any issue for non-cash consideration), existing substantial Shareholders and/or new Shareholders who are not related parties or associates of a related party of the Company.

- (f) The Company has previously obtained Shareholder approval under Listing Rule 7.1A.

The total number of Equity Securities issued in the 12 months preceding the date of the Meeting is 11,111,823, representing 7.8% of the total number of Equity Securities on issue at the commencement of that 12 month period.

The details of all issues of Equity Securities by the Company during the 12 months preceding the date of the Meeting is set out in Schedule 4 to this to this Explanatory Memorandum.

- (g) A voting exclusion statement is included in the Notice.

At the date of the Notice, the Company has not approached any particular existing Shareholder or security holder or an identifiable class of existing security holder to participate in the issue of the Equity Securities, and no existing Shareholder's votes will be excluded under the voting exclusion in the Notice.

SCHEDULE 1 DEFINITIONS

In this Notice and Explanatory Memorandum:

ASX	means ASX Limited or the Australian Securities Exchange operated by ASX Limited, as the context requires.
Board	means the board of Directors.
Chair or Chairperson	means the chair of the Company.
Closely Related Party of a member of the Key Management Personnel	means a spouse or child of the member; or a child of the member's spouse; or a dependent of the member or the member's spouse; or 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 dealings with the entity; or a company the member controls; or a person prescribed by the <i>Corporations Regulations 2001</i> (Cth).
Constitution	means the constitution of the Company as amended.
Corporations Act	means the <i>Corporations Act 2001</i> (Cth) as amended.
Cottee Performance Right	means a Performance Right on the terms set out in Schedule 2.
Director	means a director of the Company.
Equity Securities	has the same meaning given in the Listing Rules.
EST	means Australia Eastern Standard Time.
Explanatory Memorandum	means this explanatory memorandum.
Key Management Personnel	has the same meaning given in the Listing Rules.
Listing Rule	means the listing rules of the ASX.
Meeting	means the meeting convened by this Notice (as adjourned from time to time).
Notice	means this notice of meeting.
Option	means an option to be issued a Share.

Performance Right	means a performance right granted by the Company and which entitles the holder to be issued a Share subject to satisfaction of vesting conditions.
Proxy Form	means the proxy form attached to this Notice.
Relevant Directors	means those directors who approved the last directors' report.
Remuneration Report	means the remuneration report of the Company included in the Directors' Report section of the Company's Annual Report.
Resolution	means a resolution set out in the Notice.
Securities	has the meaning given in the Corporations Act.
Share	means a fully paid ordinary share in the capital of the Company.
Shareholder	means a holder of a Share.
State Gas Equity Incentive Plan	means the employee incentive scheme adopted by the Company and detailed in Schedule 3.
Trading Days	means a day determined by ASX to be a trading day in accordance with the Listing Rules.
VWAP	means volume weighted average price as defined in the Listing Rules.

SCHEDULE 2 TERMS OF COTTEE PERFORMANCE RIGHTS

The terms of the Cottee Performance Rights are:

- (a) The Performance Rights will be issued for no consideration.
- (b) Each Performance Right entitles the holder to be issued one Share upon satisfaction of the applicable vesting condition.
- (c) The expiry date of the Performance Rights is 3 June 2022 or on termination of the Executive's position, whichever is earlier.
- (d) The Performance Rights vest as follows:

Tranche	Vesting Condition	Number of Performance Rights
Sign-on Bonus	Completion of two (2) years of service as Executive Chairman of State Gas Limited.	500,000
Phase 1 Work Program	Executive Chairman to Develop and arrange funding for, and deliver Phase 1 Work Program within the Reid's Dome Gas Project.	1,000,000
Phase 2 Work Program	If required by the Board, Executive Chairman to develop and arrange funding for, and deliver Phase 2 Work Program within the Reid's Dome Gas Project.	1,000,000
Corporate Transaction	Delivery and completion of a change-of-control transaction for State Gas that is recommended to shareholders by the Board of Directors.	2,000,000
Strategic Acquisition	If required by the Board, completion of a material strategic acquisition by State Gas.	500,000

- (e) The Performance Rights will not be quoted and are not transferable except with the prior consent of the Board.
- (f) The Company will upon satisfaction of the relevant vesting condition issue that number of Shares equal to the Performance Shares vesting.
- (g) All Shares issued upon vesting of Performance Rights will rank equally in all respects with the Company's then issued Shares. The Company must apply to the ASX within 7 business days after the date of issue of all Shares pursuant to the vesting of Performance Rights to be admitted to quotation and comply with section 708A(5) or section 708A(11) of the Corporations Act so that the Shares can be offered for sale without disclosure.
- (h) The Cottee Performance Rights will not vest in the event of a change of control, which will be deemed to occur if there is a change in the voting power in State Gas Limited of 50% or more, other than the Corporate Transaction tranche set out in the table above.
- (i) There are no participating rights or entitlements inherent in the Performance Rights and the holders will not be entitled to participate in new issues or pro-rata issues of capital to Shareholders during the term of the Performance Rights.

- (j) In the event of any reconstruction (including consolidation, subdivisions, reduction or return) of the authorised or issued capital of the Company, all rights of the Performance Rights holder shall be reconstructed (as appropriate) in accordance with the ASX Listing Rules.

SCHEDULE 3 - TERMS OF THE EQUITY INCENTIVE PLAN

(a) Purpose of the Plan

- (i) provide an incentive for the Eligible Participants to participate in the future growth of the Company and, upon becoming shareholders, to participate in the Company's profits and development;
- (ii) ensure that securities issued under the Equity Incentive Plan are issued in accordance with the Corporations Act and the Listing Rules.

(b) Participants in the Plan

The Board may offer Options and/or Performance Rights (**Incentive Securities**) to persons (**Plan Participants**) who are Directors, employees or consultants of the Company based on a number of criteria including potential contribution to the Company in the future and other factors the Board considers relevant and on such issue terms as the Directors see fit.

Upon receipt of such an offer, the Plan Participant may nominate a nominee acceptable to the Board to be issued with the Incentive Securities.

(c) Number of Incentive Securities

The maximum number of Incentive Securities issued under the Plan over a 3 year period is 5% of the total number of fully paid ordinary shares on issue in the Company.

(d) Terms of Incentive Securities

- (i) An uncertified holding statement will be issued for the Incentive Securities;
- (ii) The Incentive Securities shall lapse on the earliest of the relevant dates set out below (**Expiry Date**):
 - (A) the date on which the Plan Participant's appointment with the Company is terminated for cause;
 - (B) unless the Board agrees otherwise, the Participant's resignation or employment or engagement with the Company or an associated body corporate is terminated;
 - (C) the date specified by the Board upon the grant of an Incentive Securities.
- (iii) Incentive Securities shall be issued subject to such vesting conditions as the Board determines.
- (iv) Each Incentive Security shall carry the right in favour of the Plan Participant to be issued one (1) Share upon:
 - (A) in the case of Options, vesting of the Option and (if applicable) payment of the Option exercise price determined by the Board in its discretion (**Exercise Price**); and

- (B) In the case of Performance Rights, vesting of the Performance Rights.
- (v) The Option Exercise Price shall be payable in full on exercise of the Options.
- (vi) The Options held by each Optionholder may be exercised in whole or in part, at any time upon any vesting conditions being satisfied, up to and including the Expiry Date by the delivery to the registered office of the Company of a notice in writing stating the intention of the Plan Participant to:
 - (A) exercise all or a specified number of Options; and
 - (B) pay the Exercise Price by way of subscription monies in full for the exercise of each Option.

The notice must be accompanied by a cheque made payable to the Company for the subscription monies for the shares. An exercise of only some Options shall not affect the rights of the Plan Participant to the balance of the Options held by the Plan Participant, subject to any vesting conditions.

- (vii) The Company shall allot the resultant shares and deliver the share certificate or uncertified holding statement within 5 business days of the exercise of the Options or vesting of Performance Rights (as the case may be).
- (viii) Incentive Securities shall not be listed for Official Quotation on ASX.
- (ix) The Incentive Securities are not transferable except to an associate (as defined in the Corporations Act) of the Plan Participant or nominee approved by the Board in its discretion.
- (x) Shares allotted pursuant to an exercise of the Options or vesting of Performance Rights shall rank from the date of allotment, equally with existing fully paid ordinary shares in all respects.
- (xi) The Company shall, in accordance with the Listing Rules, make application to have Shares allotted pursuant to an exercise of Options or vesting of Performance Rights listed for Official Quotation on ASX.
- (xii) In the event of a reconstruction (including consolidation, subdivision, reduction or return of the issued capital of the Company), all rights of the Plan Participant shall be reconstructed in accordance with the Listing Rules.
- (xiii) Subject to paragraph (xii), the Plan Participant shall have no rights to a change in the Exercise Price of an Option or a change to the number of Shares over which an Option can be exercised.

- (xiv) If the Company enters into a scheme of arrangement, a takeover bid is made for the Company's shares, or a party acquires a sufficient interest in the Company to enable them to replace the Board (or the Board forms the view that one of those events is likely to occur) then the Board may declare an Option to be free of any conditions of exercise. Options which are so declared may be exercised at any time on or before they lapse.
 - (xv) There are no participating rights or entitlement inherent in the Incentive Securities and Plan Participants will not be entitled to participate in new issues of securities offered to Shareholders of the Company during the currency of the Incentive Securities.
- (e) Taxation
- Under current taxation laws any taxation liability in relation to the Incentive Securities, or the Shares issued on exercise of the Options or vesting of Performance Rights, will fall on the Plan Participants.
- (f) Lapse
- If at any time before the exercise of an Incentive Securities, the holder of the Incentive Securities ceases to be an Eligible Employee, all Incentive Securities held by the Eligible Employee will automatically lapse unless the Board otherwise determines.
- (g) Participation by Directors
- Although Directors are eligible to be offered Incentive Securities under the Plan, this requires specific shareholder approval due to the requirements of the ASX Listing Rules and the Corporations Act.
- (h) Administration of the Plan
- The Incentive Plan will be administered under the directions of the Board and the Board may make regulations and establish procedures for the administration and management of the Incentive Plan as it considers appropriate.
- (i) Operation
- The operation of the Incentive Plan is subject to the ASX Listing Rules and the Corporations Act.


SCHEDULE 4 - INFORMATION REQUIRED BY LISTING RULE 7.3A.6(B)

	Issue 1	Issue 2	Issue 3	Issue 4
Date of issue:	8 March 2019	27 March 2019	17 June 2019	12 February 2019
Number issued:	588,240	1,023,583	7,000,000	2,500,000
Class/Type of equity security and summary of terms:	Fully paid ordinary shares in the capital of the Company that rank equally with existing Shares on issue.	Fully paid ordinary shares in the capital of the Company that rank equally with existing Shares on issue.	Fully paid ordinary shares in the capital of the Company that rank equally with existing Shares on issue.	Performance rights over unissued ordinary shares.
Names of persons who received securities or basis on which those persons was determined:	Placement to sophisticated investors.	Existing shareholders through participation in the Security Purchase Plan.	Pherous Holdings Group Pty Ltd	Alan Young, Highbury Partnership.
Price and discount to market price (if any)	\$0.85 which represents a 4.0% discount to the closing price on 7 March 2019.	\$0.85 which represents a 6.6% discount to the closing price on 26 March 2019.	\$0.70 which represents a 12.5% discount to the closing price on 14 June 2019.	Nil
Total cash consideration received:	\$500,004	\$870,000	\$4,900,000	Not applicable.

	Issue 1	Issue 2	Issue 3	Issue 4
Amount of cash consideration spent:	\$500,004	\$515,000	\$0	Not applicable.
Use of cash consideration:	Funds will be used for additional legal expenses associated with the increase in the Company's Participating Interest to 100% of the Reid's Dome Gas Project (PL 231); additional costs arising from the Company's increase in its Participating Interest in PL231; legal expenses in relation to pursuing possible transactions arising from interest received from potentially interested parties; and further working capital.	Funds will be used for additional legal expenses associated with the increase in the Company's Participating Interest to 100% of the Reid's Dome Gas Project (PL 231); additional costs arising from the Company's increase in its Participating Interest in PL231; legal expenses in relation to pursuing possible transactions arising from interest received from potentially interested parties; and further working capital.	Funds will be used for the 2019 Coal Seam Gas drilling and testing campaign at the Reid's Dome Gas Project in the Bowen Basin in Central Queensland which commenced early October 2019.	Non-cash. Performance rights were issued as remuneration of independent financial advisor.
Intended use for remaining amount of cash (if any):	N/A	As above.	Remaining funds will be used to further appraise the Reid's Dome Gas Project and for working capital.	Not applicable.


LODGE YOUR VOTE

 **ONLINE**
www.linkmarketservices.com.au

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

 **BY FAX**
+61 2 9287 0309

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

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



X99999999999

PROXY FORM

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

APPOINT A PROXY

the Chairman of the Meeting (mark box)

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

or failing the person or body corporate named, or if no person or body corporate is named, the Chairman of the Meeting, as my/our proxy to act on my/our behalf (including to vote in accordance with the following directions or, if no directions have been given and to the extent permitted by the law, as the proxy sees fit) at the Annual General Meeting of the Company to be held at **3.00pm (EST) on Wednesday, 13 November 2019 the offices of Allens, Level 26, 480 Queen Street, Brisbane QLD 4000** (the Meeting) and at any postponement or adjournment of the Meeting.

Important for Resolutions 1, 6 & 7: 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 1, 6 & 7, 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

Resolutions	For	Against	Abstain*	Resolutions	For	Against	Abstain*
1 Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	5 Ratification of prior securities issue	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Re-election of Director – Mr Anthony Bellas	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	6 Issue of Performance Rights to Mr Richard Cottee	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 Re-election of Director – Mr Gregory Baynton	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	7 Approval of the Equity Option Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4 Re-election of Director – Mr Ian Paton	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	8 Approval of 10% Placement Facility	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

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

SIGNATURE OF SHAREHOLDERS – THIS MUST BE COMPLETED

Shareholder 1 (Individual)

Joint Shareholder 2 (Individual)

Joint Shareholder 3 (Individual)

Sole Director and Sole Company Secretary

Director/Company Secretary (Delete one)

Director

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



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:

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

SIGNING INSTRUCTIONS

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

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

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

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

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

CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting the appropriate "Certificate of Appointment of Corporate Representative" 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.

LODGEMENT OF A PROXY FORM

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below by **3.00pm (EST) on Monday, 11 November 2019**, 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 MAIL

State Gas Limited
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235
Australia



BY FAX

+61 2 9287 0309



BY HAND

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

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

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