
Deed of Company Arrangement

Antares Energy Limited (Administrators Appointed) ACN 009 230 835

and

Pager Partners Corporate Advisory Pty Limited ACN 123 845 401 as trustee for the Pager Partners Investment Trust

and

Quentin James Olde

and

Michael Joseph Ryan



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- BETWEEN:** Antares Energy Limited (Administrators Appointed) ACN 009 230 835 of C/- FTI Consulting Level 15, 50 Pitt Street, Sydney NSW 2000 (the Company)
- AND** Quentin James Olde and Michael Joseph Ryan of C/- FTI Consulting Level 15, 50 Pitt Street, Sydney NSW 2000 (jointly and severally) (the Administrators)
- AND** Pager Partners Corporate Advisory Pty Limited ACN 123 845 401 as trustee for the Pager Partners Investment Trust of 58 Oceanview Avenue, Vaucluse NSW 2030 (Pager Partners)

Recitals

- A. On 28 April 2016, the Former Administrators were appointed administrators of the Company pursuant to section 436A(1) of the Act.
- B. On 11 May 2016, the Former Administrators held the first meeting of Creditors pursuant to section 436E of the Act, where Creditors had the right to pass resolutions replacing the Former Administrators, as well as appointing a committee of creditors for the Company. By resolution of the Creditors, the Administrators were appointed administrators of the Company in place of the Former Administrators and a committee of creditors was formed.
- C. On 25 May 2016, the Administrators obtained an order from the Supreme Court of New South Wales to extend the convening period for the second meeting of Creditors under the Act to 26 November 2016.
- D. On 2 December 2016, the Administrators held the second meeting of Creditors pursuant to section 439A of the Act, where Creditors had the right to decide the future of the Company. Creditors resolved pursuant to section 439C(a) of the Act that the Company execute a deed of company arrangement substantially in the form of this Deed.
- E. Following the execution of this Deed, the Administrators (as trustees) shall establish the Antares Creditors' Trust.
- F. The Deed Administrators have consented to an appointment as administrators of this Deed and to act as the Trustees under the Antares Creditors' Trust Deed.
- G. This Deed has been prepared in compliance with the Administrators' obligations under section 444A(3) of the Act.

This Deed Witnesses:

1. Definition and Interpretation

1.1 Definitions

In this Deed, unless the context otherwise requires:

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

Administration Account means such bank or other account or accounts opened by the Administrators for the purpose of the administration of the Company or this Deed.

Administrators means Quentin James Olde and Michael Joseph Ryan or any replacement administrator(s) appointed pursuant to the provisions of the Corporations Act, jointly and severally.

Administrators' Costs means the costs incurred by the Administrators and their staff and the remuneration payable to the Administrators for the work performed by them, their partners, employees or agents with respect to the following:

- (a) acting as Administrators of the Company between 11 May 2016 and the Execution Date; and
- (b) acting as Administrators of this Deed,

calculated in accordance with the rates of charge issued from time to time by FTI Consulting plus any GST payable thereon.

Administrators' Disbursements means all incidental costs and disbursements incurred by the Administrators in connection with the implementation of the voluntary administration of the Company, the implementation of this Deed and the performance of the Administrators' duties under this Deed including, but not limited to, all legal costs incurred by the Administrators or Deed Administrators in respect of the foregoing, plus any GST payable thereon.

Administrators' Trading Expenses means all debts incurred by the Administrators, (including any contingent liabilities) in the performance or exercise, or purported performance or exercise, of any of their functions as Administrators of the Company or Deed Administrators of this Deed including, but not limited to:

- (a) services rendered;
- (b) goods purchased;
- (c) property hired, leased, used or occupied; and
- (d) repayment of money borrowed, plus interest and costs on such borrowed monies,

plus any GST payable thereon.

Admitted Claim means a Claim in respect of an Admitted Creditor under the Antares Creditors' Trust Deed but does not include any Insurance Claims.

Admitted Creditor means any Creditor whose Claim is admitted wholly or in part by the Trustees under the Antares Creditors' Trust Deed.

Antares Business means, save to the extent that Pager Partners elects by notice in writing to the Deed Administrators any time prior to the Completion Date to exclude any such assets, all of the assets of the Company and any of the Subsidiaries (including but not limited to those of Antares Energy Company (a Delaware incorporated company) including the Big Star Project) that have not been sold by the Administrators as at the Execution Date including, but not limited to, stock, source code, servers, registered business names, Intellectual Property Rights, goodwill, domain names (including www.antaresenergy.com), websites, trademarks, patents, plant and equipment, operational infrastructure, customer/suppliers lists, contracts (including contracts that may be reinstated), business processes and procedures, R&D tax incentives and/or rebates, and all other assets to operate the business of the Company and any Subsidiaries (but excluding the Excluded Assets and any GST refunds to which the Administrators are entitled or arising under the Antares Creditors' Trust Deed).

Antares Creditors' Trust means the trust to be established under the Antares Creditors' Trust Deed.

Antares Creditors' Trust Deed means the trust deed substantially in the form of Schedule 3 to this Deed under which the Trustees are to hold the Trust Fund on behalf of the Admitted Creditors.

Appointment Date means 28 April 2016.

Arrangement Period means the period commencing on the Execution Date and ending on the Termination Date.

ASIC means the Australian Securities & Investments Commission.

Assets mean all of the property, receivables, rights, choses in action and other assets of the Company and its Subsidiaries as at the Execution Date, whether or not that property has been identified by or otherwise made known to the Administrators as at the Execution Date, and any proceeds of sale or other realisations of the Assets.

ASX means Australian Securities Exchange.

ASX Condition means either Pager Partners or the Company receiving a written assurance from the ASX confirming that, if this Deed terminates in accordance with clause 10.1 of this Deed, the suspension from listing of the Company will be lifted and the quotation for trading of the shares in the Company will be reinstated on the ASX after the Completion Date, or such later date upon which the relevant conditions set out in the ASX approval are satisfied, without the need for the Company to meet the requirements of Chapters 1 and 2 of the Listing Rules as if it were applying for admission to the Official List.

Basic Consideration means the Consideration to be paid or provided by any party for any taxable supply made under this Deed other than GST payable pursuant to clause 12.

Big Star Project means the oil and gas exploration and/or production interests of Antares Energy Company (a Delaware incorporated company) in the Permian Basin, Texas, United States of America and all assets relating to such operations including, without limitation:

- (a) oil, gas and mineral leases including without limitation those listed in Schedule 4;
- (b) all agreements and orders relating to the unitization or pooling of interests;
- (c) all contracts relating to product sales, processing, gathering, and transportation, easements, rights of way, areas of mutual interest, operating agreements and any other contract to the extent it relates to the leases or the business undertaken in respect of the leases; and
- (d) all personal property, fixtures and fittings and improvements situate on the leases including all wells (whether producing, shut-in, injection, disposal, water supply, plugged or abandoned), platforms, buildings, pipelines, compressors, meters, tanks, equipment, machinery, tools, utility lines, permits, licences, imbalances and suspense funds.

Business Day means any day other than a Saturday, Sunday, public holiday or bank holiday in New South Wales.

Claim means:

- (a) a debt payable by, or a claim against, the Company (present or future, certain or contingent, ascertained or sounding only in damages or by way of fine or penalty), being debts or claims the circumstances giving rise to which occurred before the Appointment Date or out of events or circumstances which occurred before the Appointment Date, regardless of whether the debt or claim arose before or after the Appointment Date and irrespective of whether the debt or claim arose by virtue of contract, of laws (including by statute) in equity or otherwise;

- (b) debts or claims against the Company arising out of a Pre-Administration Contract;
- (c) claims arising out of, or in connection with or relating in any way to the termination of the employment of Employees as at any date;
- (d) a debt by way of a Superannuation Contribution; and
- (e) a debt by way of a Superannuation Guarantee Charge.

Completion means settlement of the transactions contemplated in clause 6 of this Deed.

Completion Date means the day of the satisfaction or waiver, as the case may be, of the last of the Conditions Precedent, or such later date as is agreed in writing between the Deed Administrators and Pager Partners.

Conditions means the conditions set out at clause 3.1 of this Deed.

Conditions Precedent means:

- (a) Pager Partners being satisfied, acting reasonably, that the effect of this Deed and the Antares Creditors' Trust Deed is to extinguish all Claims against the Company as at the Completion Date, including, without limitation:
 - (i) any convertible notes issued by the Company;
 - (ii) any options; and
 - (iii) termination of all other agreements other than the agreements in relation to the Antares Business (including leases) unless agreed in writing by Pager Partners;
- (b) the Shareholder Condition;
- (c) the ASX Condition;
- (d) any and all security over the Antares Business or registered against the Company and/or the Subsidiaries, being discharged and/or released as at Completion;
- (e) the termination or repudiation of employment contracts by which the Company and/or the Subsidiaries may be bound as at the Appointment Date (so that all and any of the Employee Claims are dealt with in terms of this Deed and the Antares Creditors' Trust Deed);
- (f) the Meeting Documents Condition; and
- (g) if required, the Deed Administrators causing the current Directors of the Company and/or the Subsidiaries to resign and appoint the Pager Partners Nominees.

Consideration has the meaning given by section 195-1 of the GST Act.

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

Court means any court having jurisdiction to hear and determine matters under the Act.

Creditor means any person having a Claim.

Deed means this deed of company arrangement duly executed, including any schedule or annexure to it.

Deed Administrators means Quentin James Olde and Michael Joseph Ryan of C/- FTI Consulting Level 15, 50 Pitt Street, Sydney NSW 2000, jointly and severally.

Deed Fund means as at any time throughout the Arrangement Period the aggregate of the property transferred, paid into or assigned to a fund held by the Deed Administrators under clause 2.3, less any amounts paid or drawn-down pursuant to clause 7.13.

Deposit means the sum of ten thousand dollars (\$10,000.00) to be paid on the Execution Date.

Directors means the directors of the Company from time to time and **Director** means any one of them.

Due Date means 31 May 2017 or such later date as agreed in writing by the Deed Administrators and Pager Partners.

Employees mean the persons employed by the Company from time to time until the Appointment Date.

Enforcement Process has the same meaning given by section 9 of the Act.

Excluded Assets means, unless agreed in writing between the Deed Administrators and Pager Partners, all assets associated with:

- (a) cash at bank, debtors and the proceeds of debtors, other than cash or debtors relating to the realisation of Assets comprising the Antares Business subsequent to the Execution Date;
- (b) the Northern Star Project (or any net realisations from the sale of the North Star Project);
- (c) any chose in action the Company, Santa Energy Pty Limited and/or Antares Energy Company (a Delaware incorporated company) have against directors and former directors of the Company and the Subsidiaries including the existing proceedings against James Cruickshank and/or Greg Shoemaker; and
- (d) any assets not required by Pager Partners in accordance with any notice in writing by Pager Partners to the Deed Administrators.

Execution Date means the date on which the Company executes this Deed.

Former Administrators means Bryan Hughes and Daniel Bredenkamp.

Former Administrators' Costs means the costs incurred by the Former Administrators and their staff and the remuneration payable to the Former Administrators for the work performed by them, their partners, employees or agents with respect to them acting as administrators of the Company between 28 April 2016 and 11 May 2016 in the sum of \$111,111.55 (including GST).

Former Administrators' Disbursements means all incidental costs and disbursements incurred by the Former Administrators in connection with the implementation of the voluntary administration of the Company including, but not limited to, all legal costs incurred by the Former Administrators in respect of the foregoing, plus any GST payable thereon.

Former Administrators' Trading Expenses means all debts incurred by the Former Administrators, (including any contingent liabilities) in the performance or exercise, or purported performance or exercise, of any of their functions as administrators of the Company including, but not limited to:

- (a) services rendered;
 - (b) goods purchased;
 - (c) property hired, leased, used or occupied; and
 - (d) repayment of money borrowed, plus interest and costs on such borrowed monies,
- plus any GST payable thereon.

GST means any tax imposed by or under the GST Act without regard to any input tax credit.

GST Act means *A New Tax System (Goods and Services Tax) Act 1999 (Cth)*.

GST Law has the meaning given by section 195-1 of the GST Act.

GST Rate means ten per cent (10.00%) or such other percentage equal to the rate of tax imposed by the GST Law from time to time.

Insurance Claim means a liability of the Company covered by insurance policies taken out prior to the Appointment Date.

Intellectual Property Rights means all present and future intellectual and industrial property rights conferred by statute, at common law or in equity and wherever existing, including but not limited to:

- (a) patents, inventions, designs, copyright, trademarks, brand names, product names, domain names, rights in circuit layouts, plant breeder's rights, know how, trade secrets and any other rights subsisting in the results of intellectual effort in any field, whether or not registered or capable of registration;
- (b) any application or right to apply for registration of any of these rights;
- (c) any registration of any of those rights or any registration of any application referred to in sub-paragraph (b) above; and
- (d) all renewals and extensions of these rights.

Listing Rules means the official listing rules of ASX and any other rules of ASX which are applicable while the Company is admitted to the Official List, each as amended or replaced from time to time, except to the extent of any express written waiver by ASX.

Meeting Documents means a notice of meeting, explanatory memorandum and such other documents (including, if necessary, independent experts' reports) as required by and in compliance with the requirements of the Listing Rules and the Act, to be prepared for the purpose of convening the Shareholders' Meeting.

Meeting Documents Condition means the preparation of the Meeting Documents by Pager Partners in a form acceptable to the Deed Administrators (acting reasonably), which to avoid doubt, will include the Deed Administrators agreeing to the form and extent of the Shareholder Resolutions that need to be sought to implement the Recapitalisation Proposal.

Northern Star Project means the interest of Antares Energy Company (a Delaware incorporated company) in the acreage known as Northern Star located in Dawson County, Texas, United States of America on the northern periphery of the Permian Basin.

Official List means the official list of entities that ASX has admitted and not removed.

Pager Partners Nominees means those persons (having consented in writing to so act) as may be nominated in writing by Pager Partners to act as directors of the Company and/or the Subsidiaries.

Pager Partners Payment means the amount of five hundred thousand dollars (\$500,000.00).

Pre-Administration Contract means a contract, agreement, lease or understanding entered into by the Company prior to the Appointment Date.

Prescribed Provisions means such of the provisions contained in Schedule 8A of the Corporations Regulations, as set out in Schedule 2 to this Deed.

Priority Claims means those Admitted Claims having priority pursuant to the provisions of section 556(1)(e)-(h) of the Act as if the Company were in liquidation.

Recapitalisation Proposal means the proposal dated 21 November 2016 from Pager Partners to the Company and the Administrators and which is contained in Schedule 1 to this Deed.

Resolution means the resolution passed by the creditors of the Company on 2 December 2016.

Settled Sum means the settled sum payable by the Company pursuant to clause 4.1 of the Antares Creditors' Trust Deed being ten dollars (\$10).

Shareholders means the shareholders of the Company as at the Appointment Date.

Shareholder Condition means the passing by the Shareholders at the Shareholders' Meeting of the Shareholders' Resolutions.

Shareholders' Meeting means the meeting of Shareholders convened for the purpose of:

- (a) satisfying the Shareholder Condition; and
- (b) considering resolutions to change, including but not limited to:
 - (1) the name of the Company from Antares Energy Limited;
 - (2) the Constitution of the Company; and/or
 - (3) the auditors of the Company,

if required by Pager Partners.

Shareholders' Resolutions means such resolutions of the shareholders of the Company as are necessary to effectuate the Recapitalisation Proposal.

Subsidiaries means any and all subsidiaries of the Company, including but not limited to:

- (a) Santa Energy Pty Limited ACN 108 364 889; and
- (b) Antares Energy Company (a Delaware incorporated company).

Subsidiary Shares means:

- (a) all the shares held by the Company in the Subsidiaries; and
- (b) any minority interests held by the Company in any corporation or joint venture.

Superannuation Contribution means a contribution payable by the Company to a fund for the purposes of making provision for, or obtaining, superannuation benefits for an Employee, or for dependants of such an Employee.

Superannuation Guarantee Charge means a charge imposed by the *Superannuation Guarantee Charge Act 1992* (Cth).

Tax Invoice means any document or record treated by the Commissioner of Taxation as a tax invoice or as a document entitling the recipient to an input tax credit.

Termination Date means the date this Deed is terminated in accordance with clause 10 of this Deed.

Trust Fund means the trust funds under the Antares Creditors' Trust Deed, as set out in clause 5.2.

Trustees means Quentin James Olde and Michael Joseph Ryan of C/- FTI Consulting Level 15, 50 Pitt Street, Sydney NSW 2000 (jointly and severally) in their capacity as trustee of the Antares Creditors' Trust.

Trustees' Disbursements means all incidental costs and disbursements incurred by the Trustees in connection with the implementation of and performance of the Administrators' duties as Trustee, including but not limited to all legal costs in respect of the foregoing, plus GST payable thereon.

Trustees' Remuneration means remuneration for work done by the Trustees or any partner or employee or consultant of the Trustees in connection with exercising the Powers or otherwise complying with their obligations under this Deed, calculated in accordance with the rates of charge issued from time to time by FTI Consulting plus any GST payable thereon provided always that the Trustees shall be entitled to call a meeting of Admitted Creditors in accordance with clause 22 of the Antares Creditors' Trust Deed for the purpose of having further remuneration approved.

1.2 Interpretation

In this Deed:

(a) headings are for convenience only and do not affect interpretation;

and unless the context indicates a contrary intention:

- (b) a reference to any party includes that party's executors, administrators, successors, substitutes and permitted assignees, including any person taking by way of novation;
- (c) a reference to this Deed or to any other deed, agreement or document, includes respectively, this Deed or that other deed, agreement or document as amended, novated, supplemented, varied or replaced from time to time;
- (d) words importing the singular include the plural (and vice versa), words denoting a given sex include the other sex, and words denoting individuals include corporations (and vice versa);
- (e) references to currency are references to the legal currency of Australia;
- (f) references to any legislation, or to any section or provision of any legislation, includes any statutory modification or re-enactment or any statutory provision substituted for it, and any ordinances, by-laws, regulations and other statutory instruments issued under such legislation;

- (g) references to parties, clauses, schedules or annexures are references to parties, clauses, schedules or annexures to, or of, this Deed and a reference to this Deed includes any schedule or annexure;
- (h) if any day appointed or specified by this Deed for the payment of any money or doing of anything falls on a day which is not a Business Day, the day so appointed or specified shall be deemed to be the next Business Day;
- (i) references to payments to any party shall be construed to include payments to another person upon the direction of such party; and
- (j) an obligation, covenant, representation or warranty on the part of more than one party shall be deemed to be an obligation, covenant, representation or warranty on the part of those parties jointly and each of them severally.

1.3 Prescribed Provisions

The Prescribed Provisions are included as operative parts of this Deed. If there is any inconsistency between the terms of this Deed and the Prescribed Provisions, then the provisions of this Deed shall prevail, to the extent of such inconsistency.

2. Preliminary Matters

2.1 Effective Date

This Deed shall take effect on the Execution Date.

2.2 Interim Effect

To the extent that a person would be bound by this Deed if it had already been executed, the person shall not, at any time after the Resolution is passed but before the Execution Date, do anything inconsistent with the terms of this Deed, except with the leave of the Court.

2.3 Deed Fund

- (a) The Deed Administrators must establish the Deed Fund as soon as practicable after the Execution Date.
- (b) As soon as practicable following establishment of the Deed Fund under clause 2.3(a), or as soon thereafter, as they become available, the Deed Administrators must pay into the Deed Fund:
 - (i) all cash on hand or at bank held by the Administrators or the Company, including the Deposit, together with receipts from any receivables;
 - (ii) any realisations of assets of the Company, including cash and debtors, from the sale of assets or the Subsidiary Shares (other than assets relating to the Antares Business); and
 - (iii) the Deed Administrators may apply the Deed Fund during the Arrangement Period in the manner contemplated by clause 7.13, and at Completion, must transfer the balance of the Deed Fund to the Trustees in accordance with clause 6.5.

2.4 Directors

- (a) Throughout the Arrangement Period, the Directors shall:
- (i) cooperate with and assist the Deed Administrators in the performance of the obligations under this Deed;
 - (ii) use their best endeavours to ensure the satisfaction of the Conditions Precedent;
 - (iii) only exercise the powers vested in them by this Deed or delegated to them by the Deed Administrators in writing from time to time; and
 - (iv) do all things required by the Deed Administrators to assist them to convene an extraordinary general meeting and to issue a prospectus for the purposes of satisfying the Shareholder Condition in accordance with the Act and the constitution of the Company.
- (b) Subject to clause 2.4(c) below, during the Arrangement Period, the Deed Administrators shall have the power to appoint and remove Directors on written notice to the Directors at the relevant time, or to replace any vacancy created as a result of the resignation of any Director. The power of the Deed Administrators includes removing the Pager Partners Nominees as Directors if the Shareholders fail to pass the resolutions necessary to satisfy the Shareholder Condition.
- (c) On receipt of a written request from Pager Partners, the Deed Administrators shall do those things necessary to appoint the Pager Partners Nominees as the Directors of the Company and/or the Subsidiaries and remove the incumbent Directors of the Company and/or the Subsidiaries.
- (d) It is acknowledged that, unless otherwise authorised in writing by the Deed Administrators, the powers that may be exercised by the Pager Partners Nominees as Directors of the Company are those in, or incidental to, the powers referred to in clause 2.4(a)(iv).

2.5 Deposit

- (a) The Deposit shall be paid by Pager Partners or its nominee to the Deed Administrators on the Execution Date.
- (b) The Deed Administrators will hold the Deposit as part of the Deed Fund and apply it as follows:
- (i) if Completion occurs, the Deed Administrators will transfer the Deposit to the Trustees as part payment of the Pager Partners Payment;
 - (ii) subject to sub-clause 2.5(b)(iii), if Completion does not occur for any of the reasons in clause 10.2(a), the Deposit will form an asset of the Company; and
 - (iii) notwithstanding sub-clauses 2.5(b)(i) and (ii), if, for any reason, Completion does not occur:
 - (A) and the Company is subsequently recapitalised with a proposal from a party other than Pager Partners, then the Deed Administrators must cause the Company to repay the entire Deposit to Pager Partners from the proceeds of the other proponent's proposal;

- (B) in any other circumstance, the Deed Administrators must cause the Company to repay the entire Deposit to Pager Partners from the realisation of any of the assets under this Deed,

in priority to any other payments and immediately after the receipt of those proceeds.

2.6 Shares

Other than the issue of shares or alteration in the status of a Shareholder in accordance with the Shareholder Condition, a transfer of shares in the Company, or an alteration in the status of a Shareholder or issue of shares that is made during the Arrangement Period is void except so far as the Court orders otherwise or if agreed to in writing between the Deed Administrator and Pager Partners.

2.7 Assistance in the sale of assets

- (a) The Company shall provide all reasonable assistance requested by the Trustees for the purposes of the Trustees realising the assets transferred by the Company to the Trustees pursuant to clauses 6.3 and 6.5 for the benefit of the Admitted Creditors.
- (b) The obligations in clause 2.7(a):
 - (i) are continuing obligations that survive post-Completion; and
 - (ii) take effect as a Deed in favour of the Trustees, as if the Trustees were party to this Deed in their capacity as Trustees,

2.8 Intercompany loans and Northern Star Project

Pager Partners acknowledges and agrees that it will not:

- (a) cause the Company or Santa Energy Pty Limited to assert any right to be paid, or repaid, debts due by Antares Energy Company to either the Company or Santa Energy Pty Limited out of the proceeds of sale of the Northern Star Project; or
- (b) cause the Company or Santa Energy Pty Limited to encumber (by way of mortgage, charge, lien or pledge, or any like interest) the Northern Star Project.

3. Conditions Precedent

3.1 Conditions to Completion

Completion is subject to and conditional upon all Conditions Precedent being satisfied or waived in accordance with this Deed on or before the Due Date.

3.2 Costs of Satisfying Conditions Precedent

- (a) Subject to sub-clause 3.2(b), Pager Partners shall, at its own cost:
 - (i) liaise with the ASX, prepare all necessary materials and do all those other things as may be necessary to satisfy the ASX Condition;
 - (ii) prepare and submit the Meeting Documents to ASX and ASIC for approval prior to despatch to Shareholders; and
 - (iii) do all other things as may be necessary to enable the Company to convene and hold the Shareholders' Meeting and satisfy the Shareholder Condition (including bearing all postage, despatch and meeting room hire costs).

- (b) Subject to sub-clause 3.2(c) and compliance with any legal requirements, effective immediately after Completion, the Company shall become obliged to reimburse Pager Partners in respect of:
 - (i) all costs and expenses incurred by Pager Partners pursuant to sub-clause 3.2(a); and
 - (ii) the Pager Partners Payment.
- (c) The amounts referred to in sub-clause 3.2(b) may be reimbursed by way of either:
 - (i) cash payment; or
 - (ii) the Company issuing shares, equal in value to the amount incurred pursuant to sub-clause 3.2(a), referred to in the Recapitalisation Proposal.
- (d) To the extent that the Deed Administrators incur costs and/or expenses in assisting or satisfying the Conditions, including, but not limited to, the Administrators' Costs in relation to the convening, holding or attending of the Shareholders' Meeting and/or reviewing the Meeting Documents, those costs will form part of the Administrators' Costs and/or the Administrators' Disbursements.

3.3 Waiver of Conditions Precedent

Any of the Conditions Precedent may only be waived if the Parties agree in writing.

3.4 Satisfaction of Conditions Precedent

- (a) Pager Partners shall use its best endeavours to satisfy the Conditions, including initiating those actions set out in sub-clause 3.2(a), after execution of this Deed.
- (b) The Deed Administrators undertake to use their best endeavours to assist in satisfying the Conditions, to the extent that satisfaction of these conditions are within the Deed Administrators' control.

3.5 Failure of Conditions Precedent

If the Conditions Precedent are not satisfied or waived by the Due Date, save for this clause 3.5 and clauses 2.5, 7, 8, 10 and 11, the provisions of this Deed shall have no further force and effect.

3.6 Antares Business

- (a) Pager Partners agrees and acknowledges that the Antares Business shall remain with the Company on an "as is, where is" basis, with all faults or defects (if any), whether or not apparent.
- (b) Pager Partners acknowledges that certain assets of the Company and the Subsidiaries have been sold prior to the Execution Date, and as at the Execution Date the assets to form the Antares Business have not yet been fully determined. The Deed Administrators will use best endeavours to transfer other assets of the Subsidiaries or the Subsidiary Shares to the Company (or a subsidiary of the Company) to the extent requested by Pager Partners but no guarantee is provided by the Deed Administrators that other assets exist, or if they do exist, they can be transferred to the Company.
- (c) Should Pager Partners advise the Deed Administrators at any time prior to the Completion Date that it does not require any of the assets that constitute the Antares Business, the Deed Administrators agree and acknowledge that they will use their

best endeavours to ensure that those nominated assets are transferred to the Deed Fund or the Trustee of the Antares Creditors' Trust (as the case may be), at the cost of the Company (if any).

4. Scope and Moratorium

4.1 Scope

This Deed binds:

- (a) all parties to this Deed;
- (b) in accordance with section 444D of the Act, all Creditors of the Company having a Claim during the Arrangement Period; and
- (c) in accordance with section 444G of the Act, the Company, the Administrators and the officers and members of the Company.

4.2 Moratorium regarding Company

Creditors shall not during the Arrangement Period:

- (a) make an application for an order to wind up the Company;
- (b) proceed with an application in connection with the winding up of the Company made before this Deed became binding on the Creditors;
- (c) begin or continue any proceeding against the Company or in relation to any of its Assets;
- (d) exercise any right of set-off or cross-claim against the Company; or
- (e) begin or continue with any Enforcement Process in relation to the Company's Assets,

except, in the case of sub-clauses 4.2(c) and (e), with the leave of the Court and in accordance with the terms (if any) imposed by the Court.

4.3 Release of Admitted Claims

- (a) On and from Completion, this Deed releases the Company from all Claims.
- (b) Each Admitted Creditor shall, if requested to do so, properly execute and deliver to the Company such forms of release in respect of its Admitted Claim as the Deed Administrators or the Company may require.

4.4 All Claims Extinguished

Upon Completion, all Claims shall be released and extinguished and this Deed may be pleaded by the Company as a bar to proceedings in respect of any Claim. A Creditor shall, following Completion, only have a right to participate as a beneficiary under the Antares Creditors' Trust Deed in full satisfaction and complete discharge of any Claims which they have or claim to have against the Company as at the Appointment Date.

4.5 Antares Creditors' Trust

- (a) The parties must ensure the Antares Creditors' Trust Deed is executed by the Deed Administrators and the Company on the Execution Date.

- (b) Conditional upon this Deed terminating in accordance with clause 10.1, all Admitted Creditors shall only be entitled to receive such distributions or amounts as are provided for in this Deed or the Antares Creditors' Trust Deed.
- (c) The Deed Administrators are expressly authorised to execute the Antares Creditors' Trust Deed on behalf of the Company.

4.6 Insurance Claims

- (a) Subject to Completion and this sub-clause 4.6(b), the Company shall be released from all Insurance Claims.
- (b) On receipt by the Company from an insurer of any moneys relating to an Insurance Claim:
 - (i) such moneys shall (after deduction of all costs, fees and expenses of and incidental to recovering those moneys incurred by the Company) be paid by the Company to the claimant of that Insurance Claim; and
 - (ii) in the event that there are moneys remaining after the claimant of that Insurance Claim has been paid, the Company shall pay such moneys to the Trust Fund; and
 - (iii) any such Insurance Claims shall be limited to and satisfied by the application of the moneys in accordance with clause 4.6(b)(i) and not be paid from the Trust Fund.
- (c) To the extent that the Company is entitled to or receives amounts in respect of any Insurance Claim from insurers, that Insurance Claim is not released by this Deed.

4.7 Superannuation Claims

The Deed Administrators must determine that either the whole of a debt or that a particular part of a debt by way of a Superannuation Contribution is not an Admitted Claim if:

- (a) a debt by way of a Superannuation Guarantee Charge has been paid or is, or is to be, an Admitted Claim; and
- (b) the Deed Administrators are satisfied that the Superannuation Guarantee Charge is attributable to either the whole or that part of the first mentioned debt.

4.8 Employees and Leases

Prior to Completion, the Deed Administrators shall, to the extent that it has not already occurred:

- (a) terminate forthwith the employment of the Employees of the Company and Subsidiaries and determine any Priority Claims; and
- (b) unless otherwise notified in writing by Pager Partners, terminate any leases or other contracts (of the Company or the Subsidiaries which the Deed Administrators are aware as at the Completion Date).

4.9 Claims

- (a) Subject to clause 4.6, as from Completion:
 - (i) all persons having a Claim may lodge a proof of debt with the Trustees pursuant to the terms of the Antares Creditors' Trust Deed;

- (ii) all persons having a Claim must accept their right to participate as a beneficiary under the Antares Creditors' Trust Deed in full satisfaction and complete discharge of all Claims which they have or claim to have against the Company as at the Appointment Date;
 - (iii) the Company is released from all Claims, which are extinguished in accordance with the terms of this Deed.
- (b) For the avoidance of doubt, the Deed Administrators shall not be obliged to adjudicate upon Claims until after the Completion Date, in their capacity as Trustees.

5. Property Available to pay Creditors

5.1 Available Assets

Subject to the provisions of this Deed, the property that is available to pay the Admitted Claims are the assets of the Antares Creditors' Trust.

5.2 The Trust Fund, under the Antares Creditors' Trust Deed, is to be made up of:

- (a) the Settled Sum;
- (b) subject to clause 2.5, the Deposit;
- (c) the Pager Partners Payment, less the Deposit;
- (d) the assets transferred to the Trustees pursuant to clauses 6.3 and 6.5; and
- (e) the benefits of the Company's covenants in this Deed (including any monies pursuant to clause 4.6(b)) and in the Antares Creditors' Trust Deed in favour of the Trustees.

5.3 The Antares Creditors' Trust Deed shall provide that the Trust Fund shall be distributed in the following order of priority:

- (a) first, the Administrators' Disbursements, the Former Administrators' Disbursements, the Administrators' Trading Expenses and the Former Administrators' Trading Expenses (to the extent not paid);
- (b) second, the Administrators' Costs and the Former Administrators' Costs (to the extent not paid);
- (c) third, the Trustees' Remuneration and Trustees' Disbursements;
- (d) fourth, Priority Creditors pro rata according to the amount for which each such Priority Creditor shall be admitted to proof pursuant to the Antares Creditors' Trust Deed;
- (e) fifth, Admitted Creditors pro rata according to the amount for which each such Admitted Creditor shall be admitted to proof pursuant to the Antares Creditors' Trust Deed; and
- (f) the balance, if any, to be returned to the Company.

5.4 In the event that the Deed Fund, or any part of it, is distributed by the Deed Administrators pursuant to this Deed and not pursuant to the Antares Creditors' Trust Deed, the distribution shall be in the order of priority set out in clause 5.3 above.

6. Completion

6.1 Time and Place

Completion shall occur on the Completion Date at the offices of the Deed Administrators situated at Level 15, 50 Pitt Street, Sydney NSW 2000 or at such other time and place as is agreed in writing by the Deed Administrators and Pager Partners.

6.2 Pager Partners Payment

Pager Partners shall pay the Pager Partners Payment (less the Deposit) to the Deed Administrators by no later than Completion.

6.3 Obligations

Subject to the Conditions being satisfied or waived in accordance with this Deed, at Completion, the following shall occur:

- (a) the Company, as beneficial owner, shall transfer, assign, convey and set over the assets of the Company (other than the Antares Business) to the Deed Administrators in their capacities as Trustees of the Antares Creditors' Trust, to be held for and on behalf of the Creditors on the terms of the Antares Creditors' Trust Deed;
- (b) the Deed Administrators shall pay the Pager Partners Payment (including the Deposit) to the Trustees (subject to clause 7.13);
- (c) the Company, as beneficial owner, shall transfer, assign, convey and set over the Excluded Assets to the Deed Administrators in their capacities as Trustees of the Antares Creditors' Trust, to be held for and on behalf of the Creditors on the terms of the Antares Creditors' Trust Deed;
- (d) the Company shall execute and deliver to the Trustees those forms necessary to transfer the Subsidiary Shares (if required) to the Trustees;
- (e) the Company and each of the Subsidiaries executing the necessary asset transfers to transfer the assets of the Subsidiaries as required by Pager Partners to the Company or a newly created wholly-owned subsidiary of the Company.
- (f) the Company and the Subsidiaries shall use their respective best endeavours to transfer any assets forming part of the Antares Business not transferred under sub-clause 6.3(e) to the Company or a newly created wholly-owned subsidiary of the Company by executing all relevant asset transfers or forms;
- (g) if an appropriate resolution has been passed at the Shareholders' Meeting, the Company shall change its name from Antares Energy Limited, and will complete all relevant documents relating to that name change;
- (h) the Deed Administrators shall use its reasonable endeavours to deliver possession of all of the documents and information relating to the Antares Business in its possession and control to the Company; and
- (i) the Deed Administrators confirming in writing to Pager Partners that the Subsidiaries are cash free and debt free as at the date of Completion and there are no other liabilities (contingent or otherwise) of the Subsidiaries other than any abandonment liabilities.

6.4 Interconnection Obligations

All things required by this Deed to occur or be done at Completion are interconnected and Completion shall not be regarded as having occurred unless all such things occur or are done.

6.5 Trust Transfer

- (a) By this Deed, at Completion, the Company transfers, assigns and sets over all the Company's assets (except the Antares Business), to the Trustees.
- (b) By this Deed, at Completion, the Deed Administrators assign and transfer the Deed Fund to the Trustees.
- (c) Notwithstanding Completion, the Company shall take those steps and do all things as may be necessary, including executing any documents that may be reasonably requested by the Trustees for the purpose of giving effect to sub-clauses 6.5(a) and (b).

7. Administrators

7.1 Role of Administrators

- (a) The Company appoints the Deed Administrators, and the Deed Administrators accept an appointment, as the administrators of the Company subject to this Deed.
- (b) The Deed Administrators are not liable for any debts payable by or claims against the Company, the circumstances giving rise to which occur after the execution of this Deed.
- (c) This Deed shall be administered by the Deed Administrators who shall have the powers, functions and duties conferred on them by this Deed and the Act.
- (d) The Deed Administrators shall be the Trustees of the Antares Creditors' Trust and shall have the powers and obligations specified in the Antares Creditors' Trust Deed.

7.2 Powers of Administrators

- (a) During the Arrangement Period, the Administrators will have all the powers set out in the Prescribed Provisions.
- (b) In addition to clause 7.2(a), during the Arrangement Period, the Administrators will, at their election have the rights, powers, privileges, authorities and discretions conferred by the constitution of the Company or otherwise by law on the Directors of the Company.

7.3 Administrators remuneration

- (a) The Administrators will be remunerated by the Company and will be entitled to be paid, from the Assets (other than the Antares Business) and the Deed Fund, the Administrators' Disbursements, the Administrators' Costs, the Administrators Trading Expenses (to the extent that those amounts relate to the Company).
- (b) The Former Administrators will be remunerated by the Company and will be entitled to be paid, from the Assets (other than the Antares Business) and the Deed Fund, the Former Administrators' Disbursements, the Former Administrators' Costs, the Former Administrators Trading Expenses (to the extent that those amounts relate to the Company).

- (c) The Administrators may draw from the Assets (other than the Antares Business) and the Deed Fund such amounts as are due and payable to the Administrators on account of the Administrators' Disbursements, the Administrators' Costs, the Administrators Trading Expenses (to the extent that those amounts relate to the Company) from time to time.
- (d) The Former Administrators may be paid from the Assets (other than the Antares Business) and the Deed Fund such amounts as are due and payable to the Former Administrators on account of the Former Administrators' Disbursements, the Former Administrators' Costs, the Former Administrators Trading Expenses (to the extent that those amounts relate to the Company) from time to time.
- (e) The Administrators must be reimbursed from the Trust Fund in respect of any of the Administrators' Disbursements, the Administrators' Costs and the Administrators Trading Expenses which have not already been paid pursuant to clauses 7.3(a) and 7.3(c).
- (f) The Former Administrators must be reimbursed from the Trust Fund in respect of any of the Former Administrators' Disbursements, the Former Administrators' Costs and the Former Administrators Trading Expenses which have not already been paid pursuant to clauses 7.3(b) and 7.3(d).

7.4 Agents of Company

In exercising the powers conferred by this Deed and in carrying out the functions and duties arising under this Deed, the Deed Administrators shall act as agents for and on behalf of the Company.

7.5 Reasonable Care and Diligence

The Deed Administrators shall, at all times:

- (a) act honestly in the exercise of their powers and performance of their functions and duties under this Deed; and
- (b) exercise the degree of care and diligence that a reasonable person in their position would exercise in the circumstances of the Company.

7.6 Indemnity for any Liability

The Company shall be liable to pay any liabilities, debts or claims in relation to the period from the Execution Date until the Completion Date whereupon any such Claims shall be transferred to the Antares Creditors' Trust with no further Claim against the Company. The Deed Administrators shall ensure all such liabilities, debts and claims are paid from the Execution Date until the Completion Date and in this regard shall be entitled to be indemnified out of the Assets of the Company (other than the Antares Business) and the Deed Fund with respect to such liabilities, debts and claims.

7.7 Responsibility for Management of Company

Subject to clauses 2.4, 7.8 and 7.9, during the Arrangement Period, the Deed Administrators shall be responsible for the day-to-day management, control, supervision and administration of the Company's business and affairs.

7.8 Powers of Directors

During the Arrangement Period:

- (a) the Directors shall assist the Deed Administrators to take all steps that may be necessary to authorise and enable the Company to issue the Shareholders' Meeting Documents in relation to the Recapitalisation Proposal; and
- (b) the Deed Administrators may, to the extent they consider necessary for the purposes of giving effect to this Deed, delegate to the Directors some or all of their powers in relation to the day-to-day management, control, supervision and administration of the Company's business and affairs.

7.9 Powers of Deed Administrators

During the Arrangement Period, the Deed Administrators shall:

- (a) retain sole power and control over:
 - (i) the Administration Account;
 - (ii) the assets of the Company; and
 - (iii) the incurring of any liabilities of the Company other than as contemplated by this Deed;
- (b) receive all moneys on behalf of the Company; and
- (c) have the sole discretion in relation to the manner and to whom Company moneys are distributed.

7.10 Applications to Court

At any time during the Arrangement Period, the Deed Administrators may apply to the Court for directions in relation to any matter arising out of, or in connection with:

- (a) their former capacity as voluntary administrators of the Company; or
- (b) their administration of this Deed.

7.11 Books and Records

To the extent that the Deed Administrators are given access to, or possession of, the books and records of the Company, the Deed Administrators shall maintain the same in accordance with the requirements of the Act.

7.12 Termination of Appointment

- (a) The appointment of any one or both of the Deed Administrators under this Deed may be terminated by:
 - (i) notice in writing signed by the Deed Administrators and tendered to the Creditors; or
 - (ii) the death of a Deed Administrator.
- (b) If the appointment of a Deed Administrator is terminated in accordance with sub-clause 7.12(a)(ii), the Creditors may, by resolution, at a meeting called, at his sole discretion, by the surviving Deed Administrator for that purpose, appoint any one or

more substitute administrators to perform any function, and exercise any power, of the Deed Administrator(s) (as the case may be) at a rate of remuneration not exceeding that payable to the Deed Administrators under this Deed.

7.13 Draw-downs

The Parties agree and acknowledge that the Deed Administrators are entitled to draw amounts on account of Administrators' Costs, Administrators' Disbursements and Administrators' Trading Expenses from time to time from the moneys held by them pursuant to this Deed or the Antares Creditors' Trust Deed.

8. Limitation of Administrators Liability

Subject to the Act and this Deed, in the performance or exercise, or purported performance or exercise, of any of the Administrators functions, powers and duties under this Deed, the Administrators (in any capacity) will not be personally liable for:

- (a) any debt, liability or other obligation which the Administrators may incur on behalf of the Company pursuant to the Deed; or
- (b) any loss or damage caused by any act, default or omission by the Administrators or on behalf of the Administrators in the performance of the Administrators' powers function and duties under the Deed.

9. Administrators' Indemnity

9.1 Nature of Indemnity

The Deed Administrators shall be indemnified out of the Assets of the Company (other than the Antares Business) and the Deed Fund prior to and as at Completion, or after Completion from the Trust Fund, for:

- (a) the Administrators' Costs and the Administrators' Disbursements;
- (b) the Administrators' Trading Expenses; and
- (c) all actions, suits, proceedings, accounts, claims and demands arising out of this Deed, the Deed Administrators' appointment as Administrators of the Company and the voluntary administration of the Company, whether before or after the Execution Date which may be commenced, incurred by or made on the Deed Administrators by any person and against all costs, charges and expenses incurred by the Deed Administrators in respect of them, in relation to the realisation or protection of the assets of the Company,

provided that, the Deed Administrators shall not be entitled to an indemnity in respect of any liabilities or demands if the Deed Administrators (or any partner, employee, authorised agent or delegate of the Deed Administrators or the Trustees) have acted dishonestly, negligently, in breach of duty, or in breach of trust.

9.2 Continuing Indemnity

Notwithstanding the removal of the Deed Administrators or Trustees and the appointment of a new deed administrator or Trustees or the termination of this Deed or the Trust for any reason whatsoever, the indemnity under clause 9.1:

- (a) shall take effect from the Execution Date;
- (b) is without limitation as to time; and

- (c) shall continue for the benefit of the Deed Administrators' respective legal personal representatives.

9.3 Indemnity not to be Affected or Prejudiced

The indemnity under clauses 9.1 and 9.2 shall not:

- (a) be affected, limited or prejudiced in any way by any irregularity, defect or invalidity in the appointment of the Administrators or the Trustees and shall extend to all actions, suits, proceedings, accounts, liabilities, claims and demands arising in any way out of any defect in the appointment of the Administrators or the Trustees, the approval and execution of this Deed or the Trust Deed otherwise; or
- (b) affect or prejudice all or any rights that the Deed Administrators or the Trustees may have against the Company or any other person to be indemnified against the costs, charges, expenses and liabilities incurred by the Deed Administrators or the Trustees of, or incidental to, the exercise of any of the powers conferred on the Deed Administrators or the Trustees by this Deed or the Trust Deed or otherwise.

9.4 Lien

To secure the rights or indemnity under this clause 9, the Deed Administrators have a lien over the Assets (other than the Antares Business), the Deed Fund and the Trust Fund.

10. Termination

10.1 Termination upon successful completion

Subject to this clause, this Deed shall terminate immediately after Completion, when control of the Company shall return to its Directors and at that time, the Deed Administrators must lodge with ASIC a notice in accordance with that prescribed by Clause 12 of Schedule 8A of the Corporations Regulations.

10.2 Due Date

- (a) In the event that:
 - (i) any Conditions Precedent are not satisfied or waived pursuant to the terms of this Deed by the Due Date;
 - (ii) Pager Partners breaches its obligations under this Deed including, without limitation, the payment of any money to the Company or the Deed Administrators; or
 - (iii) Completion does not occur by the Due Date,the Deed Administrators may call a meeting of creditors to consider and if thought fit pass a resolution to vary or terminate this Deed in accordance with the Act.
- (b) Notwithstanding sub-clause 10.2(a), if the Shareholder' Condition is not met as a result of the Shareholders' Resolutions not being passed at the Shareholders' Meeting, the Deed will, unless otherwise agreed in writing between Pager Partners and the Deed Administrators prior to that time, terminate and the Company will be wound up and the Deed Administrators appointed as liquidators of the Company.

10.3 Change of Termination Date

Without limiting any other provision of this clause 10, this Deed shall terminate if:

- (a) the Court so orders in accordance with section 445D of the Act; or
- (b) the Deed Administrators, with the agreement of Pager Partners, determines the Deed cannot be fulfilled;
- (c) if Completion has not occurred by the Due Date and Pager Partners do not, in their absolute discretion, waive the requirement for this Deed to terminate; or
- (d) the Creditors pass a resolution terminating this Deed at a meeting convened pursuant to section 445F of the Act.

10.4 Report to Creditors

Prior to any meeting convened pursuant to section 445F of the Act, the Deed Administrators must send to each Creditor an up-to-date report as to the state of affairs of the Company, which report shall:

- (a) be accompanied by such financial statements as the Deed Administrators thinks fit; and
- (b) include a statement:
 - (i) explaining the circumstances which have caused the Deed Administrators to convene the meeting; and
 - (ii) that this Deed will be varied or terminated if the Creditors so resolve.

10.5 Previous Operation Preserved

The termination or avoidance, in whole or in part, of this Deed shall not affect the previous operation of this Deed.

10.6 Notice of Termination

If Completion occurs, the Deed Administrators shall immediately certify in writing that this Deed has been effectuated and lodge with ASIC a notice certifying that this Deed has been fully effectuated and terminate this Deed.

10.7 Operation of Clauses

In the event that this Deed is terminated in accordance with clause 10.1, then clauses 2.5, 3.2, 4.3, 4.4, 4.6, 4.6(c), 4.9, 5, 7.6, 8 and 10.6 of this Deed shall survive.

11. Meetings of Creditors

The Deed Administrators may, at any time, convene a meeting of Creditors and, except to the extent they are inconsistent with the terms of this Deed, Regulations 5.6.12 to 5.6.36A of the Corporations Regulations shall apply to meetings of the Creditors as if references to the liquidator, the provisional liquidator, the chairman, or trustee for debenture holders (as the case may be) were references to the Deed Administrators and with such other modifications as are necessary to give effect to this Deed.

12. Goods and Services Tax

12.1 GST Payment

If GST is payable on the Basic Consideration or any part thereof, or if any party is liable to pay GST in connection with any taxable supply made under this Deed, then:

- (a) the party may increase the Basic Consideration (or the relevant part thereof) by an amount which is equal to the GST Rate; and
- (b) the increased Basic Consideration shall be paid by the recipient.

12.2 Tax Invoice

Where the Basic Consideration is increased to account for GST pursuant to clause 12.1, the relevant party shall, in the month in which the Basic Consideration is to be paid, issue a Tax Invoice to the recipient.

12.3 Obligations to Survive Termination

This clause 12 shall survive termination of this Deed other than a termination pursuant to clause 10.1.

12.4 Stamp Duty

The Company must pay any stamp duty payable on the Antares Creditors' Trust Deed or upon the assignment of the assets (other than the Antares Business) to the Antares Creditors' Trust pursuant to this Deed.

13. General

13.1 Governing Law

This Deed is governed by, and shall be construed in accordance with, the laws of the State of New South Wales.

13.2 Jurisdiction

- (a) Each party irrevocably submits to, and accepts generally and unconditionally, the non-exclusive jurisdiction of the courts of New South Wales with respect to any legal action or proceedings which may be brought at any time relating in any way to this Deed.
- (b) Each party irrevocably waives any objection it may have, either now or in the future, to the venue of any action or proceedings, and any claim it may have, either now or in the future, that the action or proceedings have been brought in an inconvenient forum.

13.3 Severability

Any provision of this Deed which is or becomes illegal, void or unenforceable in any respect shall be ineffective only to the extent of that illegality, voidness or unenforceability, and shall not affect the continued operation of the remaining provisions of this Deed.

13.4 Further Acts

The parties shall promptly do and perform all further acts and execute and deliver all further documents required by law or reasonably requested by the other parties to carry out and effect the intent and purpose of this Deed.

13.5 Variation

This Deed may be varied in accordance with the Act.

13.6 Waiver

- (a) No waiver or indulgence by any party to this Deed shall be binding on the parties unless it is in writing.
- (b) No waiver of a breach of any term or condition of this Deed shall operate as a waiver of another breach of the same or any other term or condition of this Deed.

13.7 Time of the Essence

Time shall be of the essence of this Deed in all respects unless the parties agree in writing to any time requirement being extended, but in such event, time shall again be of the essence of this Deed in relation to such time requirement as so extended.

13.8 Binding Obligations

The obligations imposed and the benefits conferred by the agreements contained within this Deed are to be binding on the respective executors, administrators, successors and assigns of all the parties to this Deed.

13.9 Counterparts

This Deed may be executed in any number of counterparts (whether an original or a copy transmitted by facsimile or e-mail), all of which taken together shall constitute one and the same document.

13.10 Inconsistency with Act

If there is any inconsistency between the terms of this Deed and the Act, then the Act shall, only to the extent of this inconsistency, prevail and this Deed shall be interpreted accordingly.

13.11 Deed Prevails

- (a) If there is any inconsistency between the provisions of this Deed and the constitution of the Company or any other obligations binding on the Company, then the provisions of this Deed shall prevail to the extent of the inconsistency.
- (b) If there is any inconsistency between the provisions of this Deed and the provisions of the Antares Creditors' Trust Deed, then the provisions of this Deed shall prevail to the extent of the inconsistency.

13.12 Costs and Outlays

The costs and outlays connected with the negotiation, preparation and execution of this Deed are taken to be costs, charges and expenses incurred by the Administrators.

EXECUTED as a DEED.

Executed by Antares Energy Limited ACN)
009 230 835 (Administrators Appointed) by)
one of its joint and several Administrators in)
accordance with the Corporations Act 2001)
(Cth):



Witness

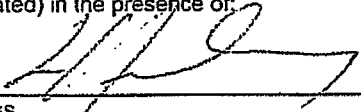


Quentin James Olde

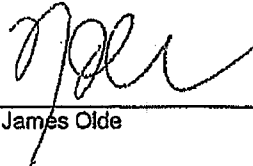
CLARE JOHNS HEALEY

Print Full Name

Executed by the said Quentin James Olde)
in his capacity as joint and several)
Administrator of Antares Energy Limited)
ACN 009 230 835 (Administrators)
Appointed) in the presence of:)



Witness



Quentin James Olde

CLARE JOHNS HEALEY

Print Full Name

Executed by the said Michael Joseph)
Ryan in his capacity as joint and several)
Administrator of Antares Energy Limited)
ACN 009 230 835 (Administrators)
Appointed) in the presence of:)



Witness



Michael Joseph Ryan

CLAIRE LOUISE REES

Print Full Name

**Executed by Pager Partners Corporate)
Advisory Pty Ltd ACN 123 845 401 as)
trustee for the Pager Partners Investment)
Trust by its Directors in accordance with the)
Corporations Act 2001 (Cth):)**

Signature of Director

Signature of Director/Secretary

Name of Director

Name of Director/Secretary

SCHEDULE 1 – RECAPITALISATION PROPOSAL

Antares Energy Limited ACN 009 230 835

(Administrators Appointed)

("Antares" or "the Company")

SUMMARY DOCA PROPOSAL TO RECAPITALISE

ANTARES ENERGY LIMITED

1. The Syndicate headed by Pager Partners Corporate Advisory Pty Limited (or its nominee) proposes to arrange the injection of approximately \$1,876,875 cash into Antares in return for shares representing approximately 95% of the Company;
2. Immediately following the satisfaction of the last of the conditions precedent (being, most likely, shareholder approval of the Syndicate's Proposal at the shareholder's meeting), the Syndicate will arrange a loan of funds to Antares and arrange for Antares to immediately pay out to the Deed Administrator \$500,000 in return for creditors (including noteholders) releasing all claims against the Company and participating as creditors of the Antares Creditors' Trust, at which time Antares will be contemporaneously removed from Administration. The Syndicate requires the use of a Creditors' Trust to adjudicate and pay out creditors' claims;
3. After payment of \$500,000 to the Deed Administrator and before costs of the Proposal, Antares will have \$1,376,875 in working capital;
4. The Syndicate will loan the Company the funds to pay for the costs of the drafting of the Deed of Company Arrangement, Creditors Trust Deed, Shareholder's Meeting and Shareholder Notices, prospectus, independent expert report and preparing historical audited accounts;
5. The Syndicate proposes to undertake a consolidation of the existing shares on issue and will issue new shares and options to raise the \$1,876,875. **It should be noted that this Proposal is not conditional on the capital raising;**
6. The Syndicate requires certain assets within Antares to remain in the Antares Group as part of the recapitalisation, to be agreed between the Syndicate and the Administrator including but not limited to the Big Star Project in the Permian Basin ("Big Star Project"), (other than those assets specifically excluded by the Syndicate prior to effectuating the DOCA and also all present and future claims against the Directors and former Directors of AEC, Santa and AEL, including claims that have recently been lodged and where proceedings have commenced against James Cruickshank and Greg Shoemaker by the Administrators in the US);
7. It is proposed that a shareholders' meeting be held to consider this Proposal within

approximately 8 to 10 weeks from the date of executing the DOCA. The \$500,000 will be paid to the Deed Administrator after the shareholder's meeting;

8. This proposal is subject to creditor and shareholder approval and the ASX confirming in writing that Antares will not need to re-comply with Chapters 1 & 2 of the Listing Rules;
9. The Syndicate will pay a \$10,000 deposit upon executing the DOCA.

The above is a Summary DOCA Proposal only and as a consequence, it should not be relied upon in substitution for our Syndicate's Detailed DOCA Proposal below.

Antares Energy Limited ACN 009 230 835
(Administrators Appointed) (“Antares” or “the Company”)

DETAILED DOCA PROPOSAL TO RECAPITALISE
ANTARES ENERGY LIMITED

DATED 21 November 2016

GENERAL TERMS OF RECAPITALISATION

A syndicate headed by Pager Partners Corporate Advisory Pty Limited (**Syndicate**) (or its nominee) offers to recapitalise Antares Energy Limited (**“Antares” or “the Company”**). This proposal will require the creditors of the Company to enter into a Deed of Company Arrangement (**DOCA**) and a Creditors Trust Deed (**Trust Deed**).

We understand that the equity capital of Antares as set out in the Appendix 5B Quarterly Cashflow Report dated 28 October 2015 is as follows:

- a. 240,000,000 fully paid ordinary shares;
- b. No employee options to acquire fully paid ordinary shares, which would otherwise be assumed to cancel or be subject to consolidation at the completion of this offer;
- c. No unlisted options, which will otherwise cancel out or be subject to consolidation;
- d. No options for convertible notes, which would otherwise be considered debt with no rights to equity for the purpose of this offer; and
- e. 23,750,000 Convertible Notes on issue (**“Convertible Notes”**) with a face value of \$2.00 per note, which would otherwise be considered debt with no rights to equity for the purposes of this offer.

The DOCA for Antares must provide for or contemplate or facilitate the following (**Proposal**):

- 1 The Syndicate requires, as part of this offer, all of the remaining assets of Antares (excluding the Northern Star Project) including but not limited to those of AEC including the Big Star Project (oil and gas exploration/production interests in the Permian Basin, Texas, USA) and all assets/IP relating to the Permian Assets, operational infrastructure, plant and equipment, registered business names, intellectual property, goodwill, domain names (including www.antaresenergy.com), websites, customer/supplier lists, contracts, business processes and procedures, and all other assets to operate the business (**Antares Business**) be retained by Antares (or its current subsidiaries), or transferred to Antares (or a newly created subsidiary)

from its subsidiaries. The Antares Business must remain as an asset of the Company to enable the Company to be reinstated to trading on the Australian Securities Exchange Limited (ASX).

- 2 The consideration for control of Antares and 100% of the Antares Business is an aggregate amount of \$500,000 in cash, including the Deposit referred to in clause 3 below, (**Cash Consideration**), to be paid to the Deed Administrator for the benefit of the Creditors Trust (the **Syndicate Offer**) so that immediately following the satisfaction of the last of the conditions precedent (being, most likely, shareholder approval of this Proposal, in its entirety):
 - (i) the Syndicate shall pay to the Deed Administrator the Cash Consideration in full and final satisfaction of the Syndicate Offer;
 - (ii) the DOCA shall terminate by performance and those assets of Antares which are not part of the Antares Business assets shall be dealt with in accordance with the DOCA; and
 - (iii) any Antares Business assets shall be transferred (if required by the Syndicate) from the subsidiaries into the Antares listed entity (or a nominated subsidiary) as is necessary.
3. The Syndicate will pay a non-refundable \$10,000 deposit (**Deposit**) upon executing the DOCA (post creditor approval at the creditor's meeting). However, if, for any reason, the Company is recapitalised under another proponent's DOCA proposal, then the Administrator shall repay to the Syndicate the entire Deposit from the proceeds of that other proponent's DOCA proposal; or from the realisations of any of the assets required under this proposal, in priority to any other payments and immediately after the receipt of those proceeds.
- 4 The Antares Business is to be retained by Antares, and all other liabilities and obligations of Antares be released pursuant to the terms of the DOCA.
- 5 The existing share structure of the Company, including unlisted options that are not cancelled, shall be subject to a 15:1 consolidation prior to issuing the securities under this Proposal.
- 6 Subject to creditors approving this Proposal, if requested by the Syndicate, the Deed Administrator shall request the existing directors and officers of Antares to resign and if this does not occur then remove all existing directors and officers and appoint the Syndicate's nominees and the DOCA shall give express powers to the Deed Administrator to do this. It is acknowledged that the Deed Administrator shall be able to limit the powers of any Syndicate nominated directors whilst the DOCA operates.
- 7 The Syndicate proposes to raise new equity in the Company by way of placements on

the following basis:

- (a) an amount of **\$375,000** from the Syndicate (or its nominees) is to be provided in exchange for 150 million Shares at issue prices to be determined by the Syndicate;
- (b) a general placement of up to 150 million Shares at 1c each to raise up to **\$1,500,000**. This placement will be on a best endeavours basis and may be underwritten, subject to certain conditions; and
- (c) an amount of **\$1,875** from the Syndicate is to be provided in exchange for 75,000,000 Options, each to acquire one Share, at an exercise price of 1 cent each on or before 30 June 2020.

Please note that the proposed structure above may vary at the Syndicate's discretion (subject to ASX and/or shareholder approval), including the right to take over-subscriptions.

- 8 The proposal for the Antares Business is for the Company to retain and exploit its interest in this business in the ordinary course and to exploit complementary and any other business opportunities.
- 9 In addition to the Cash Consideration referred to above, under the DOCA, the Company shall transfer to the Creditors Trust for the benefit of the Antares creditors any cash at bank, its rights in its sundry debtors, the Northern Star Project (or any net realisations from the sale of that project by the Deed Administrator and also all present and future claims against the Directors and former Directors of AEC, Santa and AEL, including claims that have recently been lodged and where proceedings have commenced against James Cruickshank and Greg Shoemaker by the Administrators in the US) and any other assets not required by the Syndicate as part of the Antares Business. However, Antares' wholly-owned Australian subsidiary, Santa Pty Ltd ("**Santa**"), and Santa's wholly-owned US-based subsidiary, Antares Energy Company ("**AEC**"), are proposed to remain within the Antares group at the point of effectuating the DOCA on a "cash free, debt free basis", with the Big Star Project remaining within AEC at effectuation.
- 10 Immediately following the satisfaction or waiver of the last of the conditions precedent specified in clause 16 below, being, most likely, shareholder approval of the Syndicate's proposal at the shareholder's meeting, the Deed Administrator will facilitate all necessary transfers and assignments to the Creditors Trust, including payments totalling **\$500,000** and the DOCA will then terminate by performance.
- 11 If shareholders do not approve the Syndicate's proposal at the shareholder's meeting, the DOCA will terminate and the Company shall be placed in liquidation.
- 12 If shareholders approve the Syndicate's proposal at the shareholder's meeting and the other conditions precedent are satisfied, the **\$500,000** paid by the Syndicate to the

Creditors Trust will, after the termination of the DOCA, be repaid to the Syndicate in cash or through the issue of shares (referred to at point 7 above) in the Company.

- 13 The control of the Company shall remain with the Deed Administrator until the DOCA is terminated. It is currently anticipated that the Syndicate nominated directors will be appointed to the Antares board at the point of effectuating the DOCA.
- 14 The prescribed provisions in schedule 8A of the Corporations Regulations will be incorporated in the DOCA, save for regulations 3(c), 10 and 11.
- 15 The Syndicate will be entitled to change the name, constitution and auditors of Antares, if required, and the Syndicate acknowledges that such a change is subject to shareholder approval.
- 16 The Proposal is subject to the following general conditions precedent:
 - (a) all liabilities and long term commitments of Antares being released and compromised via a DOCA. It shall be a term of the DOCA that it is wholly effectuated and the appointment of the Deed Administrator terminates contemporaneously with the payment by the Company of the Cash Consideration to the Deed Administrator.
 - (b) the secured creditors, if any, releasing all security over Antares and the Antares Business, unless otherwise agreed by the Syndicate;
 - (c) all creditors are bound by the DOCA. All creditors will be required to prove in accordance with the terms of the DOCA and Creditors Trust and no creditor shall have a right to claim payment against the Company (for the avoidance of doubt, the DOCA shall clearly state that the claims of all creditors shall be released and that all creditors shall only have an entitlement to prove in the Creditors Trust and not against the Company).
 - (d) all subsidiaries of Antares shall be excised from Antares and dealt with by the Deed Administrator in accordance with the DOCA (unless otherwise required by the Syndicate). It is the current intention that both Santa and AEC will remain wholly-owned subsidiaries within the Antares group post effectuation of the DOCA on a "cash free, debt free basis".
 - (e) termination of the employment of all employees of Antares, if any, and termination of all leases and contracts of Antares (except in relation to the Big Star Project) at no cost to the Company post the DOCA, unless requested otherwise by the Syndicate.
 - (f) ASX providing written confirmation to Antares that it will lift the suspension on the trading of the securities of the Company without the need to re-comply with chapters 1 and 2 of the Listing Rules on finalising the DOCA.
 - (g) all secured creditors, if any, voting in favour of this Proposal at a meeting of creditors convened for that purpose or otherwise agreeing to be bound by this

Proposal.

- (h) the Syndicate being satisfied that all convertible notes on issue, if any, are simply debt obligations and the holders of such convertible notes being required to prove as creditors in accordance with the terms of the DOCA and Creditors Trust and no convertible noteholder shall have a right to claim payment against the Company or convert to equity after the termination of the DOCA.
 - (i) all employee options, if any, being cancelled or consolidated.
 - (j) the receipt of shareholder approval of this offer at a meeting of shareholders which is expected to be held within 8 to 10 weeks from the date of executing the DOCA, subject to the Deed Administrator having the power to extend the meeting date if the Syndicate makes a request for such an extension. For this purpose, the Syndicate shall prepare the required shareholder meeting materials and will submit these materials to ASX, the ASIC and the Deed Administrator for approval prior to dispatch. The Syndicate shall bear its own costs in relation to the preparation of these meeting materials which sums shall be reimbursed by the Company in the event that the Proposals are approved and the Company is reinstated to trading on the ASX.
- 17 During the DOCA period, a transfer of shares in the Company, any alteration in the status of members or issue of shares shall be void except so far as the Court otherwise orders, or if agreed in writing between the Deed Administrators and the Syndicate.
- 18 The contents of this Proposal are strictly confidential and must not be disclosed to any parties with the exception of the Administrators and their staff and advisers, and in the Administrator's report to creditors, without the Syndicate's prior consent.



Signed for and on behalf of Pager Partners Corporate Advisory Pty Ltd

SYNDICATE EXPERIENCE

Joanne Kendrick

Joanne is a seasoned industry professional with 20+ years of experience in technical and senior roles with Woodside Petroleum, Newfield Exploration, Gulf Australia and Nido Petroleum. She is a Petroleum/Reservoir Engineer by background and has been responsible for managing ongoing infield production operations and significant drilling and development projects for close to 15 years. With significant ASX experience as the Deputy Managing Director at Nido Petroleum for 7 years she is well placed to lead an ASX listed company operating oil and gas assets.

Ross Warner

Ross is an experienced natural resources executive. He has held executive and non-executive director roles in several public companies listed on AIM and the ASX and a number of private companies. He has been involved in operated and non-operated oil and gas assets in Texas, Louisiana and Oklahoma; oil field services in Mexico and gas to power in Indonesia. He practiced as a corporate finance lawyer with Mallesons in Perth and Melbourne and Clifford Chance in London.

Hugh Warner

Hugh holds a Bachelor of Economics from the University of Western Australia. He has broad experience as a public company director, having been a director of a number of publicly listed companies involved in the mining, oil and gas, biotechnology and service industries. Hugh is currently a director of Prospect Resources Limited.

Jonathan Pager

Jonathan Pager has over 20 years experience as a management consultant across a wide range of industries in Australia and overseas and is currently Managing Director of a boutique consultancy, Pager Partners Business Consultants and Pager Partners Corporate Advisory. He has a Masters of Economics and qualified as a chartered accountant with Deloitte where he commenced his career. Jonathan is currently a director of MOQ Limited, UCW Limited and Noble Mineral Resources Limited, and was previously a director of Rhipe Limited, Prospect Resources Limited, AhaLife Holdings Limited and Metalicity Limited, being companies that he previously recapitalised. Jonathan was also involved in the recapitalisation of various other companies listed on the ASX (via a DOCA and Creditors Trust).

Michael Pollak

Michael Pollak holds a bachelor of Commerce, is a chartered accountant and has an MBA in strategy from the Australian Graduate School of Management. Michael commenced his career at PricewaterhouseCoopers over 15 years ago. Michael has gained valuable experience in both Sydney and London in general management, audit, insolvency, corporate advisory and strategy across a wide range of industries, including financial services, professional services, retail, mining, technology and manufacturing. Michael is currently a director of MOQ Limited, UCW Limited and HJB Corporation Limited, and was previously a director of Rhipe Limited, Disruptive Investment Group Limited, Prospect Resources Limited and Metalicity Limited, being companies that he previously recapitalised. Michael was also involved in the recapitalisation of various other companies listed on the ASX (via a DOCA and Creditors Trust).

Broader Team

The following persons are available as needed:

Simon Gorringe

Simon Gorringe is an engineer with a long career in field development. During his career he has been a development engineer for Conoco, he was BHP's project manager on the Keith Development and he developed Serica's Kambuna field facilities in Indonesia.

Christopher Newport

Chris is an oil and gas economist and business development professional. He has negotiated and concluded over \$40 billion of gas sales transactions; pioneered unconventional gas exploration and development (Sydney CBM 1988-1989, Moura 1994 -1995, Queensland GLNG 2009 - 2011 and Mozambique and Malawi 2012 – 2014); negotiated terms & conditions for gas, oil, gas liquids and water injection tolling & third party operating agreements for the Can Ngu Vang field in Vietnam - US\$ 700m value add; negotiated the successful Indonesian Pangkah PSC, Thai/Malaysia Joint Development Area & Thailand Phu Horm gas deals; managed liquids transportation logistics for BHP's energy shipping portfolio (FPSOs and terminals); was Team Leader for two major Australian pipelines including the Eastern Gas Pipeline which spear-headed the de-regulation of the Australian gas industry; was team leader for numerous greenfield gas developments including the Santos Otway basin gas project which was completed in record time (7 months from gas contract to 1st gas sale); and team leader for two gas storage projects and three allocation agreements which laid the foundations for asset optimisation and interstate gas trading in Australia for the first time.

David Whitby

Dave has had a longstanding and successful career in E&P. He is currently CEO of Andalas Energy and Power plc. He ran Husky's heavy oil business in Canada and has had an extensive career in Asia and, in particular, Indonesia where he led the first major gas sale from Corridor Block, South Sumatra – 450MMcf/d of gas via a new built facility and pipeline from 2008; led the negotiations for gas sales to Singapore, Batam, and West Java, delivering 750MMcf/d of gas; led Gulf Indonesia's minority shareholders' defence against ConocoPhillips resulting in US\$400m sale; and represented Pertamina in the unitisation negotiations with ConocoPhillips on the large Suban gas field, returning over US\$2.8Billion in revenue to Pertamina over for a 14 year period. Notably, as CEO of Philippines focussed Nido Petroleum, he rejuvenated the company increasing its market capitalisation on the ASX from A\$1.6m to over A\$600m in four years.

Other Syndicate Members

Details of other members of the Syndicate with experience in capital markets, ASX recapitalisations and the oil and gas sector will be made available at a later stage.

PRIOR RECAPITALISATIONS OF OUR SYNDICATE- ASX CODES

- | | |
|-------------------|-------------------|
| 1. AVN (now CUO) | 2. IMU |
| 3. SML | 4. VRE |
| 5. RHT | 6. EXT |
| 7. SAH (now KSX) | 8. STR (now SSM) |
| 9. IMI | 10. FUS (now HTC) |
| 11. OBJ | 12. MHL |
| 13. BLR | 14. DYL |
| 15. WMT (now IDG) | 16. TDR (now LSA) |
| 17. MDV | 18. RMG |
| 19. EKA | 20. SSC |
| 21. MKY (now CUU) | 22. GSF (now YOW) |
| 23. TVN (now LVT) | 24. TPL (now JKL) |
| 25. PLD (now MCT) | 26. FRR (now RHP) |
| 27. PSC | 28. DGI (now ICT) |
| 29. ABQ (now DVI) | 30. INT (now AHL) |
| 31. MOQ | 32. HJB |
| 33. BGD | 34. UCW |
| 35. NMG | |

SCHEDULE 2 – PRESCRIBED PROVISIONS – SCHEDULE 8A

DEED OF COMPANY ARRANGEMENT - PRESCRIBED PROVISIONS

Administrators Deemed Agent of Company

1. In exercising the powers conferred by this Deed and carrying out the duties arising under this Deed, the Deed Administrators are taken to act as agents for and on behalf of the Company.

Powers of Administrator

2. For the purpose only of administering this Deed, the Deed Administrators have the following powers:
 - (a) to enter upon or take possession of the property of the Company;
 - (b) to lease or let on hire property of the Company;
 - (c) to grant options over property of the Company on such conditions as the Administrators think fit;
 - (d) to insure property of the Company;
 - (e) to repair, renew or enlarge property of the Company;
 - (f) to call in, collect or convert into money the property of the Company;
 - (g) to administer the assets available for the payment of claims of Creditors in accordance with the provisions of this Deed;
 - (h) to purchase, hire, lease or otherwise acquire any property, or interest in property from any person or corporation;
 - (i) to borrow or raise money, whether secured upon any or all of the assets of the Company or unsecured, for any period on such terms as the Administrators think fit and whether in substitution for any existing security or otherwise;
 - (j) to bring, prosecute and defend in the name and on behalf of the Company or in the name of the Administrators any action, suits or proceedings;
 - (k) to refer to arbitration any question affecting the Company;
 - (l) to make payments to any secured creditor of the Company and any person who is the owner or lessor of property possessed used or occupied by the Company;
 - (m) to convene and hold meetings of the members or creditors of the Company for any purpose the Administrators think fit;
 - (n) to make interim or other distributions of the proceeds of the realisation of the assets available for the payment of claims of creditors as provided in this Deed;
 - (o) to appoint agents to do any business or to attend to any matter of affairs of the Company that the Administrators are unable to do, or that it is unreasonable to expect the Administrators to do in person;
 - (p) to engage or discharge employees on behalf of the Company;
 - (q) to appoint a solicitor, accountant or other professionally qualified person to assist the Administrators;

- (r) to permit any person authorised by the Administrators to operate any account in the name of the Company;
- (s) to sell, call in or convert into money any of the property of the Company, to apply the money in accordance with this Deed and otherwise effectively and properly to carry out his or her duties as Administrators;
- (t) to do all acts and execute in the name and on behalf of the Company all deeds, receipts and other documents, using the Company's common or official seal when necessary;
- (u) subject to the Bankruptcy Act, 1966, to prove in the bankruptcy of any contributory or debtor of the Company or under any deed executed under that Act;
- (v) subject to the Corporations Act, to prove in the winding up of any contributory or debtor of the Company or under any scheme or arrangement entered into, or deed or Company arrangement executed, under the Corporations Act;
- (w) to draw, accept, make or endorse any bill of exchange or promissory note in the name and on behalf of the Company;
- (x) to take out letters of administration of estate of a deceased contributory or debtor, and do any other act necessary for obtaining payment of any money due from a contributory or debtor, or the estate of a contributory or debtor, that cannot be conveniently done in the name of the Company;
- (y) to bring or defend an application for the winding up of the Company;
- (z) to carry on the business of the Company on such terms and conditions and for such purposes and times and in such manner as the Administrators think fit subject only to the limitations imposed by this Deed;
- (aa) to sell any or all of the property of the Company including the whole of the business or undertaking of the Company at any time the Administrators think fit, either by public auction or by private contract and either for a lump sum payable by instalments or for a sum on account and to obtain a mortgage or encumbrance for the balance or otherwise;
- (ab) to close down the whole or any part of any business of the Company;
- (ac) to enter into and complete any contract for the sale of shares in the Company;
- (ad) to compromise any debts or claims brought by or against the Company on such terms as the Administrators think fit and to take security for the discharge of any debt forming part of the property of the Company;
- (ae) to pay any class of creditors in full, subject to Subdivision D of Division 6 of Part 5.6 of the Corporations Act;
- (af) to do anything that is incidental to exercising a power set out in this clause;
- (ag) to exercise the powers, while Deed Administrators, granted to Administrators by section 442A of the Act.
- (ah) to do anything else that is necessary or convenient for the purpose of administering this Deed.

Meetings

3. Regulations 5.6.12 to 5.6.36A of the Corporations Regulations apply, with such modifications as are necessary, to meetings of creditors or of the committee of inspection held under this Deed as if the references to "the Liquidator", "the Liquidator or Provisional Liquidator", "the Liquidator, Provisional Liquidator or Chairman" or "a Liquidator, Provisional Liquidator or Trustee for debenture holders", as the case may be, were references to the Administrators of this Deed.

SCHEDULE 3 – ANTARES CREDITORS' TRUST DEED

Antares Creditors' Trust Deed

Antares Energy Limited ACN 009 230 835 (Subject to Deed of Company Arrangement)

and

Quentin James Olde

and

Michael Joseph Ryan



www.bridgeslawyers.com.au

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THIS DEED is made on

2016

BETWEEN: Antares Energy Limited ACN 009 230 835 (Subject to Deed of Company Arrangement) of C/- FTI Consulting Level 15, 50 Pitt Street, Sydney NSW 2000 (the Company)

AND Quentin James Olde and Michael Joseph Ryan of C/- FTI Consulting Level 15, 50 Pitt Street, Sydney NSW 2000 (jointly and severally) (the Trustees)

Recitals

- A. The Company has entered into the DOCA.
- B. Pursuant to the DOCA, and in order for the Company to continue in existence without being subject to the DOCA, the DOCA will terminate on Completion being effected pursuant to the DOCA.
- C. The DOCA provides for the establishment of this Trust for the benefit of the Admitted Creditors.
- D. The Company and the Trustees have agreed to enter into this Deed to comply with, and give effect to, the DOCA.
- E. The Trustees consent to becoming the Trustees of the Trust on the terms set out in this Deed.

This Deed Witnesses:

1. Definition and Interpretation

1.1 Definitions

In this Deed, unless the context otherwise requires:

Associate has the meaning given by section 26AAB(14) of the *Income Tax Assessment Act 1997*.

Deed means this deed duly executed by the parties.

DOCA means the deed of company arrangement entered into between the Company, the Trustees (in their capacity as Deed Administrators of the DOCA) and Pager Partners dated on or about the date of this Deed.

Encumber means to grant or create an interest or power:

- (a) reserved in, or over an interest in, any asset including, but not limited to, any retention of title; or

- (b) arising in, or over an interest in, any asset under a bill of sale, mortgage, charge, lien, pledge or other security,

by way of security for the payment of a debt or any other monetary obligation, or the performance of any other obligation, and includes, but is not limited to, any agreement to grant or create an interest or power referred to in sub-paragraphs (a) and (b) above.

Perpetuity Period means the period of eighty (80) years, commencing on the date of execution of this Deed.

Power means any right, power, authority, discretion and remedy available to the Trustees under this Deed, the DOCA or at law.

Trust means the trust created by this Deed.

Website means www.insolvencynotices.asic.gov.au.

1.2 Interpretation

In this Deed:

- (a) headings are for convenience only and do not affect interpretation;
- and unless the context indicates a contrary intention:
- (b) words and expressions defined in the DOCA shall, where used in this Deed, have the same meaning as in the DOCA; and
- (c) the provisions relating to interpretation contained in clause 1.1 and 1.2 of the DOCA shall apply mutatis mutandis to this Deed as if set out in full herein.

2. Appointment of Trustees

By reason of the DOCA, and in accordance with the terms of the DOCA, each Admitted Creditor and the Company has appointed the Trustees, both jointly and severally, as trustees of the Trust Fund upon and subject to the terms, covenants and conditions of this Deed.

3. Termination

3.1 The Trust created by this Deed shall terminate:

- (a) if all of the Conditions are not satisfied or waived in accordance with the DOCA on or before the Due Date;
- (b) upon distribution of the Trust Fund in accordance with the trust contained in this Deed;
- (c) if the DOCA is terminated otherwise than under clause 10.1 of the DOCA;
- (d) the last day of the Perpetuity Period; or
- (e) as the Court so orders

whichever occurs earlier.

- 3.2 Upon termination of the Trust, the Trustees transfer, assign and set over the Trust Fund to the Administrators on behalf of the Company.

4. Creation and declaration of Trust

4.1 Creation of Trust

- (a) The Company must, upon execution of this Deed, pay the Settled Sum to the Trustees.
- (b) The Trust is created as soon as the Settled Sum is received by the Trustees.

4.2 Declaration of Trust

The Trustees acknowledges and declares that:

- (a) the Settled Sum;
- (b) subject to clause 2.5 of the DOCA, the Deposit;
- (c) the benefits of the covenants made in the Trustees' favour in the DOCA (including any monies pursuant to clause 4.6 of the DOCA) and in this Deed;
- (d) the Pager Partners Payment, less the Deposit;
- (e) the assets or amounts transferred to the Trustees pursuant to clause 6.3 and/or clause 6.5 of the DOCA (which for the avoidance of doubt does not include the Antares Business);
- (f) the Deed Fund (as then comprised) transferred to the Trustees pursuant to clause 6.3 and/or clause 6.5 of the DOCA; and
- (g) any income accruing on the assets of the Trust,

are, or will be held on trust by the Trustees for the Trustees and the Admitted Creditors upon and subject to the terms and conditions of this Deed.

5. Distribution

5.1 Subject to clause 5.2, the Trustees shall distribute the Trust Fund to the Admitted Creditors in the following order of priority:

- (a) first, the Administrators' Disbursements, the Former Administrators' Disbursements, the Administrators' Trading Expenses and the Former Administrators' Trading Expenses (to the extent not paid);
- (b) second, the Administrators' Costs and the Former Administrators' Costs (to the extent not paid);
- (a) third, the Trustees' Disbursements and the Trustees' Remuneration;
- (b) fourth, Priority Creditors pro rata for their Admitted Claims;
- (c) fifth, by distribution of any balance to be distributed pro rata to the Admitted Creditors of the Company; and
- (d) any balance, if any, to be paid to the Company.

5.2 The Trustees may, at their discretion, make interim distributions from the Trust Fund.

6. Unclaimed Moneys

Any unclaimed moneys shall be dealt with by the Trustees in accordance with section 544 of the Act as if references in that section to the liquidators were references to the Trustees.

7. Nature of Trustees' Powers

7.1 General

- (a) In dealing with the Trust Fund, the Trustees shall have, both jointly and severally, every Power as if they were natural persons of full age and capacity and the absolute owners of the Trust Fund.
- (b) Where, by any other provision of this Deed, any specific Power is expressed to be conferred upon the Trustees, the conferring of such a Power shall not be construed in any way which will limit the Powers conferred by clause 7.1(a) of this Deed, but shall be construed in light of the parties' intention to remove any doubt that the express Power is included among the Powers which may be exercised by the Trustees in relation to the Trust Fund or any business which may be conducted by the Trustees.
- (c) The Trustees shall not be required to assign any reason for the exercise of, or failure to exercise, any Power.
- (d) Every exercise of a Power shall be binding on each Admitted Creditor.

7.2 Joint Exercise of Powers

The Trustees may exercise any Power either jointly or severally.

7.3 Interpretation of Powers

- (a) Subject always to any express provision to the contrary contained in this Deed, every Power vested in the Trustees shall be exercisable at the Trustees' absolute and unfettered discretion.
- (b) Each Power shall be construed to its full extent and no one Power shall limit the generality of any other Power.
- (c) The Trustees shall, in their absolute discretion, have the power to do anything the Trustees consider is incidental to any Power.
- (d) All Powers and dispositions made by, or pursuant to, this Deed which, but for this sub-clause 7.3(d), would or might vest, take effect or be exercisable after the expiration of the Perpetuity Period shall vest, take effect and be exercisable (as the case may be) only until the last day of the Perpetuity Period.

7.4 Use of Trust Funds

The Trustees may use the Trust Fund for any purpose it considers will benefit the Trust or the Admitted Creditors in accordance with provisions of the DOCA and of this Deed.

7.5 Trustees may vary Deed

- (a) Subject to sub-clauses 7.5(b) and (c) below, the Trustees may, by deed or by resolution and with the consent of the majority of the Admitted Creditors given at a meeting convened pursuant to clause 21 of this Deed, vary the provisions of this Deed.
- (b) Despite any other provision of this Deed, the Trustees may not amend this Deed to lessen the Trustees' liabilities or obligations under this Deed or at law including, but not limited to, lessening their liabilities in respect of any fraud, wilful default, negligence or breach of trust by the Trustees.
- (c) The Trust will determine if a Court so orders or the Admitted Creditors pass a resolution terminating the Trust at a duly convened meeting.

7.6 No Merger

- (a) Without derogating from the Powers, nothing in this Deed shall require or cause the Trustees to join the Trust Fund with any other trust fund whatsoever so as to cause any two (2) or more trust funds to become one (1) trust fund.
- (b) The Trustees shall keep the Trust Fund entirely separate and distinct from any other trust fund.

7.7 Relevant Legislation

Subject to the express provisions of this Deed, the Trustees may exercise, in relation to the Trust Fund, every right, power, authority, discretion and remedy given to a trustee by the laws of New South Wales.

7.8 Release and Revocation of Powers

- (a) Unless a Power is, by the terms of this Deed, required to be irrevocable, the Trustees may release or revoke any Power conferred upon them by this Deed.
- (b) Upon the exercise of any release or revocation pursuant to sub-clause 7.8(a) above, the Power released or revoked shall be absolutely and irrevocably determined.

8. Power to deal with Property

8.1 General

- (a) The Trustees may acquire, purchase, sell, transfer, dispose of, lease, improve, Encumber, subdivide, partition, hire, licence, exchange, develop, grant leases and licences, and enter into any other agreement or dealing, including the surrender or termination of any dealing, in relation to any property forming, or which is to form, part of the Trust Fund, to or from (as the case may be) any person and on any terms the Trustees think fit.
- (b) The Trustees may repair, renovate, demolish, build, or alter any improvement to, any property forming, or which is to form, part of the Trust Fund.
- (c) The Trustees may determine any rental to be paid for the use of any property forming, or which is to form, part of the Trust Fund.

- (d) The Trustees may exercise all Powers and perform all obligations in relation to any property forming, or which is to form, part of the Trust Fund.

8.2 Conveyance of Property

The Trustees may accept a conveyance or transfer of any property as part of the Trust Fund.

8.3 Enter into Possession

The Trustees may enter into possession of and manage any property forming part of the Trust Fund.

9. Power to Invest

9.1 General

- (a) The Trustees may invest the Trust Fund in any manner, on any terms, and in any assets in any country as the Trustees, in their absolute discretion, think fit.
- (b) The Trustees may exercise all Powers and obligations in relation to any investment forming part of the Trust Fund including, but not limited to:
 - (i) becoming a director of, or holding any other office or place of profit in, any corporation in which assets of the Trust Fund are invested;
 - (ii) attending and voting on any matter at meetings;
 - (iii) appointing proxies for any meetings;
 - (iv) paying calls under any contract;
 - (v) paying for the purchase of an investment from future monies which the Trustees may be entitled to in respect of that investment, including dividends, profits, interest, royalties or other income; and
 - (vi) dealing with shares, debentures or securities of any company whether or not they have deferred, restricted, qualified or special rights.

9.2 Vary Investments

The Trustees may:

- (a) exchange an investment forming part of the Trust Fund for any other investment authorised under this Deed;
- (b) vary the terms of any investment forming part of the Trust Fund or the security given for that investment; and
- (c) surrender any investment forming part of the Trust Fund.

9.3 Investments not Authorised by Law

The Trustees may invest the Trust Fund in any investment whether or not that investment is authorised as an investment in which a trustee may invest under the

laws of the State of New South Wales or the law of any other place where the investment is to be made.

10. Powers relating to Business and Financial Transactions

10.1 Power to Carry on Business

- (a) The Trustees may use the income or capital of the Trust Fund to commence, carry on or discontinue anywhere in the world any trade or business, either as a sole trader or in partnership with any person including any Admitted Creditor.
- (b) The Trustees may engage any managers or other employees (including an Admitted Creditor) in any trade or business.
- (c) The Trustees may enter into any arrangement for sharing profits, co-operation, joint venture or reciprocal concessions.
- (d) The Trustees may incur obligations and pay for any benefit or advantage in respect of employees or former employees, or dependants of employees or former employees, of any business which the Trustees (or any prior trustee of the Trust Fund) carry on, or have carried on, in relation to the Trust Fund.
- (e) The Trustees may establish, promote or acquire any corporation or join in the establishment, promotion or acquisition of any corporation.
- (f) The Trustees may sell or transfer any property of the Trust Fund to a corporation and all shares, bonds, debentures, debenture stock and monies received as consideration for the sale and transfer shall form part of the Trust Fund.
- (g) The Trustees may act in relation to any trade or business as if the Trustees were beneficially entitled to it.

10.2 Meet Debts

The Trustees may set aside an amount out of the Trust Fund which, in the Trustees' opinion, is sufficient to meet any debt or obligation of the Trustee incurred as a consequence of the Trustees acting as Trustees of the Trust.

10.3 Operate Bank Accounts and Issue Receipts

- (a) The Trustees may open and operate a bank account in any country.
- (b) The Trustees may sign, draw, endorse or execute in a manner determined by the Trustees:
 - (i) any cheque or other negotiable or transferable instrument; and
 - (ii) a receipt for any money paid to the Trustees.

10.4 Lend

The Trustees may lend money to any person including an Admitted Creditor:

- (a) with or without interest;
- (b) with or without security; and

(c) repayable on any terms the Trustees think fit.

10.5 Commercial Dealings

The Trustees may make, draw, accept, endorse, discount, sell, purchase, execute, issue, negotiate and otherwise deal with any promissory note, bill of exchange, commercial bill, bill of lading, warrant, debenture, certificate of deposit or other transferable document or financial instrument for any purpose the Trustees think fit.

10.6 Encumber

The Trustees may Encumber the Trust Fund (or any part of the Trust Fund) in favour of any person in relation to any obligation to that person on any terms as the Trustees think fit.

10.7 Guarantees and Indemnity

The Trustees may:

- (a) guarantee the payment of money or the performance of any other obligation; and
- (b) grant an indemnity in respect of any obligation,

to any person whether or not in relation to the obligations of an Admitted Creditor or a Secured Creditor or for the benefit of the Trust on any terms as the Trustees think fit.

10.8 Powers to Enforce and Settle

- (a) The Trustees may:
 - (i) make any claim or demand, or take any other action, on behalf of the Trust;
 - (ii) refer any dispute affecting the assets of the Trust; and
 - (iii) settle on any terms any matter which arises in relation to the Trust.
- (b) If the Trustees settle any matter under sub-clause 10.8(a)(iii), the settlement shall be binding on all persons interested in the Trust Fund notwithstanding that they may not yet be in existence or may be under a legal disability.

11. Insurance Policies

- (a) Subject to clause 11(b), the Trustees may insure any asset or investment of the Trust against any risk including, but not limited to, public liability, loss of income and loss of rent.
- (b) The Trustees may not insure any asset or investment of the Trust for more than its insurable value or liability.
- (c) The Trustees shall not be in breach sub-clause 11(b) if:
 - (i) the Trustees have inadvertently over-insured an asset or investment of the Trust; or
 - (ii) the amount of the over-insurance is insignificant in the circumstances.

- (d) The Trustees may pay from the Trust Fund the premiums of any policy of insurance taken out pursuant to clause 11(b).

12. Agency, Employment and Delegation

12.1 Power to Appoint and Employ

The Trustees may appoint an agent, employ any person, engage any consultant or any other person, to do anything required or permitted in relation to the Trust or the exercise of any Power.

12.2 Delegation of Powers

- (a) The Trustees may:
 - (i) subject to any restrictions it thinks fit, delegate any of the Powers; and
 - (ii) revoke any delegation of Power pursuant to sub-clause 12.2(a)(i).
- (b) The Trustees shall not be liable for any loss arising under sub-clause 12.2(a).
- (c) The Trustees may execute any document to give effect to the clause 12.2.
- (d) A person who deals with a delegate of the Trustees shall not be required to verify that the delegation is in force or that the Trustees who made the delegation are alive or in existence.

12.3 Taking of Legal Advice

- (a) The Trustees may take and act upon the verbal or written advice or opinion of any legal practitioner practising in any country where any part of the Trust Fund is situated in relation to any matter which affects the Trust Fund or the Trustees in their capacity as trustees of the Trust.
- (b) The Trustees shall not be liable to any Admitted Creditor in respect of any act done, or omitted to be done, by the Trustees in accordance with an opinion obtained under this clause.
- (c) Nothing in this clause shall prevent the Trustees or any Admitted Creditor from applying to any Court if they think fit.

13. Protection of Trustees

13.1 Limited Liability

Except for their own fraud, wilful default, negligence or breach of trust, the Trustees shall not be liable if they have acted in good faith for:

- (a) any loss or damage occurring because the Trustees exercised, did not exercise, or proposed to exercise, any trust or Power;
- (b) any loss or damage occurring because the Trustees acted, or did not act, on advice or information obtained from any expert or professional;
- (c) any loss to the Trust Fund arising because the Trustees made an improper investment;

- (d) the negligence or fraud of any agent, delegate, custodian, nominee, employee or consultant engaged, employed or appointed by the Trustees or any prior trustee of the Trust Fund;
- (e) a mistake or omission made by the Trustees or any prior trustee of the Trust Fund;
- (f) failing to do anything in respect of the Trust which is prohibited by any applicable law;
- (g) doing anything in respect of the Trust which the Trustees are required to do by any applicable law; and
- (h) any loss arising out of the carrying on of any trade or business.

13.2 Trustees' Indemnity

- (a) Except for any debt, liability or other obligation incurred in relation to any fraud, wilful default, negligence or breach of trust by the Trustees, the Trustees shall be entitled to be indemnified out of the Trust Fund in respect of any reasonable debt or other obligation incurred by the Trustees in their capacity as trustees of the Trust, including the Trustees' Disbursements and the Trustees' Remuneration.
- (b) The indemnity in clause 13.2(a) continues after this deed is terminated, and even if the Trustees are removed or resign as Trustees.
- (c) To secure the indemnity under this clause 13.2, the Trustees have a lien over the Trust Fund.

13.3 Limited Recourse

The recourse of a creditor or other person claiming against the Trustees in their capacity as trustees of the Trust shall be limited to the Trust Fund.

13.4 Remuneration of Trustees

The Trustees are to be:

- (a) remunerated from the Trust Fund by payment of the Trustees' Remuneration and the Administrators' Costs; and
- (b) reimbursed from the Trust Fund in respect of the Trustees' Disbursements (and to the extent they remain unpaid, the Administrators' Trading Expenses and the Administrators' Disbursements) and, without limitation, any stamp duty payable in respect of this Deed.

14. Other interests of Trustees

The Trustees may continue to act as trustees of the Trust and exercise any Power even though the Trustees or any of their Associates:

- (a) are a director, employee, shareholder or professional adviser of a company in which the Trust Fund is invested;
- (b) are in a fiduciary relationship to a company or trust in which the Trust Fund is invested;

- (c) deal with a company or trust in which the Trust Fund is invested; or
- (d) have an interest in a company, trust, property or other investment in which the Trust Fund is invested.

15. Adjudication of Claims

- 15.1 The Trustees shall consider any Claim by a Creditor for the purposes of deciding whether to admit those Claims for the purposes of a distribution under this Deed.
- 15.2 The Trustees may, in their absolute discretion, but subject to clause 21.3:
- (a) admit Claims; and
 - (b) pay a distribution upon any Admitted Claim in accordance with the provisions of this Deed.
- 15.3 The provisions of the Prescribed Provisions shall apply to the admission and adjudication of Claims under this Deed as if the reference to Administrators in the Prescribed Provisions were references to the Trustees and with such other modifications as are necessary to give effect to this Deed.
- 15.4 A Creditor shall be taken for all purposes to have abandoned all Claims and all other entitlements (if any) to a distribution from the Trust Fund:
- (a) which are not the subject of either an Admitted Claim or a proof lodged with the Trustees in the form required by the Trustees pursuant to this Deed prior to the declaration of a final dividend from the Trust Fund; or
 - (b) which have been rejected by the Trustees and which are not the subject of any appeal or application to the Court within 21 days after the date of notification of the rejection to the relevant Creditors' Claim.

16. Scope of Arrangement

16.1 Creditors Bound

This Deed binds all Creditors.

16.2 Adjudication of Claims

Claims under this Deed shall be adjudicated and determined in accordance with the following procedures:

- (a) **(Proof of Debt):** Promptly after the Completion Date, the Trustees shall give written notice to each of those persons who appear from the records of the Company to be Creditors inviting each within 14 days (or such other period as is determined by the Trustees) to submit to the Trustees a Proof of Debt in respect of the Creditor's Claim specifying in detail the nature and amount of the Creditor's Claim.
- (b) **(Admitted Creditors):** The Trustees shall adjudicate upon all Claims and:
 - (i) in any case where they determine to reject (in whole or in part) the amount claimed by a Creditor in that Creditor's Proof of Debt, the Trustees shall give written notice of their determination to the Creditor at the address shown on the Creditor's Proof of Debt;

(ii) shall settle a list of Admitted Creditors who shall each be admitted for such sum as upon an account fairly stated (after allowing for the amount of any debt or set-off owing by the Admitted Creditor to the Company) appears to be the balance due to the Admitted Creditor, a just estimate having been made by the Trustees in respect of any Claims which:

(I) are subject to any contingencies;

(II) sound only in damages; or

(III) for some other reason, do not bear a certain value,

and

(iii) notwithstanding the provisions of sub-clause 16.2(b)(ii), the Trustees may compromise the Claim of any Creditor in such manner as they, in their absolute and unfettered discretion, think fit, whereupon they shall enter the name of such Creditor and the amount of that Creditor's Claim upon the list of Admitted Creditors in the manner aforesaid.

(c) **(Advertisement):** Prior to the distribution of any monies to Admitted Creditors in accordance with the provisions of this Deed, the Trustees shall place a notice on the Website to the effect that any person claiming to be a Creditor may within 14 days (or such other period as is determined by the Trustees) from the date of publication of that notice submit a claim to the Trustees by way of proof of debt specifying in detail the nature and amount of the claim against the Company as at the Commencement Date.

(d) **(Proof of Claims):** Except where inconsistent with the provisions of this clause 16.2, Regulations 5.6.11A, 5.6.37, 5.6.39 to 5.6.43 (inclusive), 5.6.44 to 5.6.52 (inclusive) and 5.6.55 to 5.6.65 (inclusive), 5.6.67 to 5.6.70 (inclusive) and 5.6.70A of the Corporations Regulations shall apply to Claims under this Deed as if references to the liquidator were references to the Trustees and with such other modifications as are necessary to give effect to this Deed.

(e) **(Act):** Subdivisions A, B, C, D and E of Division 6 of Part 5.6 of the Act (except sections 554(A)(3) to 554 (A)(8) and 556 other than to the extent expressly incorporated) apply to the admission of Claims under this Deed as if the reference to liquidator were references to the Trustees and references to winding up were references to this Deed and with such other modifications as are necessary to give effect to this Deed.

(f) **(Rejection of Claim):** Where the Trustees propose to reject a Claim (whether in whole or in part) the Trustees shall send a notice to the Claimant under Section 63(8) of the *Trustee Act 1925 (NSW)* informing the relevant Creditor of the rejection and giving that party 21 days within which to make an application to the Court under section 63(10) of the *Trustees Act 1925 (NSW)* to determine the questions relating to the Claim.

17. Register

17.1 Obligation to Maintain

The Trustees shall maintain in Sydney, New South Wales, or elsewhere as the Trustees shall determine, an up-to-date register and shall enter in the register in respect of each Admitted Creditor:

- (a) the Admitted Creditor's name and address;
- (b) details of each Admitted Claim including the balance after payment of each distribution under this Deed; and
- (c) distributions made to each Admitted Creditor pursuant to this Deed.

17.2 Register Conclusive

The register is conclusive evidence of the matters entered on the register.

18. Instructions from Admitted Creditors

18.1 Rights to seek Instructions

In the exercise of the Trustees' Powers, the Trustees:

- (a) may, if they think fit, seek instructions from the Admitted Creditors; and
- (b) shall act in accordance with the instructions of the Admitted Creditors delivered at a meeting convened in accordance with clause 21, which instructions can only be in compliance with this Deed or the DOCA.

19. No Instructions

19.1 In the absence of instructions received by the Trustees from the Admitted Creditors at a meeting convened in accordance with clause 21, and except as otherwise provided in this Deed, the Trustees may take such action that they determine to be in the best interests of the Admitted Creditors.

19.2 Actions Binding

An action taken by the Trustees in accordance with clause 19.1 is binding on each Admitted Creditor.

20. Trustees may Resign

Either of the Trustees may resign at any time by giving not less than 30 days' prior notice to the Admitted Creditors in which event:

- (a) if one trustee resigns, the resigning Trustee shall assign to any replacement trustee nominated by the Admitted Creditors at a meeting convened pursuant to clause 21 the Trustee's rights under this Deed; or
- (b) if both Trustees resign, the resigning Trustees shall assign to a replacement trustee(s) nominated by the Admitted Creditors at a meeting convened pursuant to clause 21 the Trustees' rights under this Deed.

21. Meetings of Admitted Creditors

21.1 Procedure

Except as expressly set out in this clause 21, the procedure for the calling and holding of meetings of the Admitted Creditors shall be determined by the Trustees so as to conform, as nearly as is reasonably practicable, with the procedure as if the Trustees were the administrators of the Company subject to the DOCA.

21.2 Calling of Meetings

A meeting of the Admitted Creditors may be convened at any time by:

- (a) the Trustees; or
- (b) the Admitted Creditors with twenty-five (25) per cent in number and value of the total number and value of all of the Admitted Claims,
- (c) by giving not less than seven (7) Business Days' notice to the Trustees and each Admitted Creditor.

21.3 Once the Trust Fund has been distributed in full, the Admitted Creditors shall have no further rights to convene a Meeting pursuant to this clause or to give any directions to the Trustees and the Admitted Creditors release the Trustees from any Claim in relation to the DOCA, the Trust and the Trust Fund.

22. Name of Trust

The name of the trust constituted by this Deed shall be the Antares Creditors' Trust.

23. Notices

Any notice or other communication which must be given or served under, or in connection with, this Deed:

- (a) must be in writing in order to be valid;
- (b) is sufficient if executed by the party giving or serving the notice or on its behalf by any attorney, director, secretary, other duly authorised officer or solicitor of such party;
- (c) shall be deemed to have been duly given or served in relation to a party if it is delivered or posted by pre-paid post to the party's address given for that person in this Deed or as specified in the register established under clause 17 (or to such other address as is notified in writing by that party to the other party from time to time); and
- (d) shall be deemed to be given or served:
 - (i) (in the case of pre-paid post) on the second Business Day after the date of posting; and
 - (ii) (in the case of delivery by hand) on delivery.

24. Superannuation Claims

- (a) The Trustees must determine that the whole of a debt by way of a Superannuation Contribution is not an Admitted Claim if:
 - (i) a debt by way of a Superannuation Guarantee Charge has been paid or is, or is to be, an Admitted Claim; and

- (ii) the Trustees are satisfied that the Superannuation Guarantee Charge is attributable to the whole of the first mentioned debt.
- (b) The Trustees must determine that a particular part of a debt by way of a Superannuation Contribution is not an Admitted Claim if:
 - (i) a debt by way of a Superannuation Guarantee Charge has been paid or is, or is to be, an Admitted Claim; and
 - (ii) the Trustees are satisfied that the Superannuation Guarantee Charge is attributable to that part of the first mentioned debt.

25. General

25.1 Governing Law

This Deed is governed by, and shall be construed in accordance with, the laws of the State of New South Wales.

25.2 Jurisdiction

- (a) Each party irrevocably submits to, and accepts generally and unconditionally, the non-exclusive jurisdiction of the courts of New South Wales with respect to any legal action or proceedings which may be brought at any time relating in any way to this Deed.
- (b) Each party irrevocably waives any objection it may have, either now or in the future, to the venue of any action or proceedings, and any claim it may have, either now or in the future, that the action or proceedings have been brought in an inconvenient forum.

25.3 Further Acts

The parties shall promptly do and perform all further acts and execute and deliver all further documents required by law or reasonably requested by the other party to carry out and effect the intent and purpose of this Deed.

25.4 Severability

Any provision of this Deed which is or becomes illegal, void or unenforceable in any respect shall be ineffective only to the extent of that illegality, voidness or unenforceability, and shall not affect the continued operation of the remaining provisions of this Deed.

25.5 Waiver

- (a) No waiver or indulgence by any party to this Deed shall be binding on the parties unless it is in writing.
- (b) No waiver of a breach of any term or condition of this Deed shall operate as a waiver of another breach of the same or any other term or condition of this Deed.

25.6 Cumulative Rights

The rights, powers and remedies provided by this Deed are cumulative and do not exclude any rights, powers, authorities, discretions or remedies provided by law.

25.7 Counterparts

This Deed may be executed in any number of counterparts (whether an original or a copy transmitted by facsimile or e-mail), all of which taken together shall constitute one and the same document.

25.8 DOCA Prevails

If there is any inconsistency between the provisions of this Deed and the provisions of the DOCA, then the provisions of the DOCA shall prevail to the extent of the inconsistency.

Executed as a Deed.

Executed by Antares Energy Limited)
ACN 009 230 835 (Subject to Deed of)
Company Arrangement) by one of the)
joint and several Deed Administrators in)
accordance with the *Corporations Act*)
2001 (Cth):

Witness

Signature of Deed Administrator

Print Full Name

Name of Deed Administrator

Executed by Michael Joseph Ryan in)
the presence of:)

Michael Joseph Ryan

Witness

Print Full Name

Executed by Quentin James Olde in the)
presence of:)

Quentin James Olde

Witness

Print Full Name

SCHEDULE 4 – BIG STAR PROJECT LEASES

MASTER TRACT - LEASED

Tract	Gross Acres	Well	Tract Description	Antares SW	Antares NW	Net Acres Leased	Leased	Others	Open	Red Boundary	Notes	Title Incom	For Unknown
1	160.000		NW/4 Section 44, Block 34, T5N	80.00%	100.00%	160.00	0.00%	0.00%	0.00%	Inside		100.00%	0.00%
2	160.000		SW/4 Section 44, Block 34, T5N	37.61%	50.00%	80.00	unk	unk	0.00%	Inside	Letha Hook - 2.08%	100.00%	0.00%
3	160.000		SE/4 Section 44, Block 34, T5N	75.00%	100.00%	160.00	0.00%	0.00%	0.00%	Inside		100.00%	0.00%
4	160.000		NW/4 Section 45, Block 34, T5N	79.00%	100.00%	160.00	0.00%	0.00%	0.00%	Inside		100.00%	0.00%
5	160.000		NW/4 Section 1, Block 35, T5N	60.57%	79.00%	126.48	unk	unk	0.00%	Inside		79.00%	20.95%
6	160.000		NE/4 Section 1, Block 35, T5N	75.00%	100.00%	160.00	0.00%	0.00%	0.00%	Inside		100.00%	0.00%
7	354.770		SW/4 Section 1, Block 35, T5N	0.00%	0.00%	0.00	unk	unk	0.00%	Inside		47.50%	52.50%
8	349.020		Average Outside of Proration Unit located West of Highway, Section 12, Block 35, T4N	75.00%	100.00%	349.02	0.00%	0.00%	0.00%	Inside		100.00%	0.00%
9	80.000	Stuart 12 #1	Proration Unit located West of Highway, Section 19, Block 35, T4N	77.00%	100.00%	80.00	0.00%	0.00%	0.00%	Inside		100.00%	0.00%
10	14.895		Aggregate 14.895 acres (Minerals under Highway)	14.30%	14.30%	2.13	unk	unk	0.00%	Inside	State of Texas - 85.7% Under the Highway	100.00%	0.00%
11	179.195		East of Highway 58E 1 ac, Section 12, Block 35, T4N	75.00%	100.00%	179.20	0.00%	0.00%	0.00%	Inside		100.00%	0.00%
12	160.000		SW/4 Section 3, Block 34, T4N	64.00%	80.00%	128.00	unk	unk	0.00%	Inside	Grant Holladay - 20%	100.00%	0.00%
13	160.000		SE/4 Section 3, Block 34, T4N	5.00%	6.25%	10.00	unk	unk	0.00%	Inside		78.13%	21.88%
14	320.000		N/2 Section 4, Block 34, T4N	75.00%	100.00%	320.00	0.00%	0.00%	0.00%	Inside		100.00%	0.00%
15	160.000		SW/4 Section 4, Block 34, T4N	81.25%	100.00%	160.00	0.00%	0.00%	0.00%	Inside		100.00%	0.00%
16	160.000		SE/4 Section 4, Block 34, T4N	75.00%	100.00%	160.00	0.00%	0.00%	0.00%	Inside		100.00%	0.00%
17	389.400		N/2 Section 5, Block 34, T4N	52.78%	69.23%	234.25	unk	unk	0.00%	Inside		99.53%	0.47%
18	320.000		SW/4 Section 5, Block 34, T4N	18.75%	25.00%	80.00	unk	unk	0.00%	Inside	C.T. Bachham, et al - 75%	100.00%	0.00%
19	170.000		NW/4 Section 5, Block 34, T4N	81.25%	100.00%	170.00	0.00%	0.00%	0.00%	Inside		100.00%	0.00%
20	320.000		E/2 Section 6, Block 34, T4N	53.13%	70.14%	224.44	unk	unk	0.00%	Inside		100.00%	0.00%
21	160.000		NW/4 Section 7, Block 34, T4N	66.25%	87.50%	140.00	unk	unk	0.00%	Inside	Bauchman/Blumberg, et al	100.00%	0.00%
22	160.000		NE/4 Section 7, Block 34, T4N	57.75%	71.00%	116.80	unk	unk	0.00%	Inside	Hadley Wristen, et al - 7%	100.00%	0.00%
23	80.000	Woodward 7 #1	80 ac. Proration Unit in the West 105 acres Section 7, Block 34, T4N	80.00%	100.00%	80.00	0.00%	0.00%	0.00%	Inside		100.00%	0.00%
24	25.000		Average Outside Proration Unit in the West 105 acres Section 7, Block 34, T4N	75.00%	100.00%	25.00	0.00%	0.00%	0.00%	Inside		100.00%	0.00%
25	230.000		SE/4 and East 95 acres SW/4, Section 7, Block 34, T4N	70.25%	8.78%	18.90	unk	unk	0.00%	Inside		100.00%	0.00%
26	230.000		W/2 Section 8, Block 34, T4N	58.00%	73.23%	234.67	unk	unk	0.00%	Inside	Hadley Wristen, et al - 7%	100.00%	0.00%
27	260.000		W/2 58E E/2 3E/4 NW/4 and 58E NE/4 NE/4 Section 9, Block 34, T4N	75.00%	100.00%	260.00	0.00%	0.00%	0.00%	Inside		100.00%	0.00%
28	120.000		NW/4 Section 9, Block 34, T4N	33.21%	43.86%	32.05	unk	unk	0.00%	Inside		100.00%	0.00%
29	40.000		NW/80 acres S/2, 58E W/2 NW/4 SE/4 and 58E E/2 NE/4 SW/4 Section 9, Block 34, T4N	42.75%	55.06%	22.00	unk	unk	0.00%	Inside	Lockhart Family	100.00%	0.00%
30	100.000		E/2 20 acres S/2 SE/2 NW/4 SE/4 Section 9, Block 34, T5N	75.00%	100.00%	100.00	0.00%	0.00%	0.00%	Inside		100.00%	0.00%
31	40.000		NE/4 Section 10, Block 34, T4N	75.00%	100.00%	40.00	0.00%	0.00%	0.00%	Inside		100.00%	0.00%
32	40.000		N/40 acres SW/4 Section 10, Block 34, T4N	28.13%	35.00%	15.00	unk	unk	0.00%	Inside	ConocoPhillips - 12.5%	100.00%	0.00%
33	230.000		E/2 20 acres SW/4 Section 10, Block 34, T4N	68.13%	87.50%	105.00	unk	unk	0.00%	Inside	ConocoPhillips - 12.5%	100.00%	0.00%
34	160.000		SE/4 Section 10, Block 34, T4N	70.31%	89.75%	150.00	unk	unk	0.00%	Inside	ConocoPhillips & Pte Producing - 12.5%	100.00%	0.00%
35	160.000		NW/4 Section 15, Block 34, T4N	75.00%	100.00%	160.00	0.00%	0.00%	0.00%	Inside		100.00%	0.00%
36	160.000		NE/4 Section 15, Block 34, T4N	61.83%	81.65%	130.32	unk	unk	0.00%	Inside		100.00%	0.00%
37	160.000		NW/4 Section 16, Block 34, T4N	46.88%	62.13%	99.38	unk	unk	0.00%	Inside		87.50%	12.50%
38	160.000		SW/4 Section 16, Block 34, T4N	48.94%	58.95%	99.75	unk	unk	0.00%	Inside		83.59%	16.41%
39	160.000		NW/4 Section 17, Block 34, T4N	30.29%	39.00%	63.36	unk	unk	0.00%	Inside		87.02%	12.98%
40	100.000		N/2 00 acres NE/4 Section 17, Block 34, T4N	31.08%	41.13%	41.13	unk	unk	0.00%	Inside		79.99%	20.01%
41	60.000		S/60 acres NE/4 Section 17, Block 34, T4N	37.42%	49.48%	29.57	unk	unk	0.00%	Inside		59.17%	40.83%
42	160.000		SW/4 Section 17, Block 34, T4N	58.52%	77.19%	123.82	unk	unk	0.00%	Inside		87.02%	12.98%
43	60.000		W/60 acres SE/4 Section 17, Block 34, T4N	74.09%	95.13%	57.08	unk	unk	0.00%	Inside		99.52%	0.48%
44	260.000		E/2 00 acres SE/4 Section 17, Block 34, T4N	75.00%	100.00%	260.00	0.00%	0.00%	0.00%	Inside		100.00%	0.00%
45	60.000		NW/4 and W/100 acres SW/4 Section 20, Block 34, T4N	19.25%	25.72%	66.88	unk	unk	0.00%	Inside		76.52%	23.08%
46	80.000		W/2 NE/4 Section 20, Block 34, T4N	55.32%	73.44%	58.75	unk	unk	0.00%	Inside		75.00%	25.00%
47	80.000		E/2 NE/4 Section 20, Block 34, T4N	55.80%	72.73%	58.18	unk	unk	0.00%	Inside		81.46%	18.54%
48	160.000		Average Outside Proration Unit, SE/4 Section 20, Block 34, T4N	75.00%	100.00%	160.00	0.00%	0.00%	0.00%	Inside		100.00%	0.00%
49	80.000	Esmond 20 #1	Proration Unit, SE/4 Section 20, Block 34, T4N	78.00%	100.00%	80.00	0.00%	0.00%	0.00%	Inside		100.00%	0.00%
50	640.000		Section 21, Block 34, T4N	14.12%	18.75%	120.00	unk	unk	0.00%	Inside		98.55%	1.05%
51	160.000		NW/4 Section 27, Block 34, T4N	41.12%	54.51%	87.22	unk	unk	0.00%	Inside		58.25%	41.71%
52	80.000	Simmons 27 #1	E/2 NE/4 Section 27, Block 34, T4N	75.00%	100.00%	80.00	0.00%	0.00%	0.00%	Inside	Antares has 45% WI (85 net acres.)	100.00%	0.00%
53	320.000		E/2 Section 27, Block 34, T4N	31.28%	41.7%	13.33	unk	unk	0.00%	Inside	Evelyn Richter Trusts	100.00%	0.00%
54	200.300		200.3 acres out of N/2 Section 28, Block 34, T4N	19.88%	25.00%	50.08	unk	unk	0.00%	Inside		96.88%	3.13%
55	10.000		S/100 acres out of N/2 Section 28, Block 34, T4N	19.88%	25.00%	2.50	unk	unk	0.00%	Inside		96.88%	3.13%
56	160.000		SW/4 Section 28, Block 34, T4N	41.84%	55.64%	86.03	unk	unk	0.00%	Inside		58.33%	41.67%
57	160.000		SE/4 Section 28, Block 34, T4N	41.84%	55.64%	86.03	unk	unk	0.00%	Inside		58.33%	41.67%
58	160.000		W/2 Section 28, Block 35, T5N	77.00%	100.00%	330.61	0.00%	0.00%	0.00%	Outside		100.00%	0.00%
59	330.61		E/2 Section 28, Block 35, T5N	56.05%	79.05%	261.34	unk	unk	0.00%	Outside		79.05%	20.95%
60	240.000		SW/4 and W/2 SE/4 Section 33, Block 34, T5N	80.00%	100.00%	240.00	0.00%	0.00%	0.00%	Outside		100.00%	0.00%
61	80.000	Clint 46 #1	E/2 SW/4 Section 46, Block 34, T5N	80.00%	100.00%	80.00	0.00%	0.00%	0.00%	Outside		100.00%	0.00%
62	10637.80					7249.31							
63													

GROSS ACRES	10637.80
NET ACRES/LEASED	7249.31
	as of 5/31/16