

Notice of Extraordinary General Meeting

Sundance Energy Australia Limited

ABN 76 112 202 883

Notice is hereby given that the Extraordinary General Meeting of the shareholders of Sundance Energy Australia Limited (**Company**) will be held at the Minter Ellison Boardroom, Level 10, 25 Grenfell Street, Adelaide, South Australia on Monday 19 August 2013, at 10:00am, for the purpose of transacting the business referred to in this Notice of Extraordinary General Meeting.

The Explanatory Notes that accompany and form a part of this Notice of Extraordinary General Meeting describe the Special Business to be considered.

SPECIAL BUSINESS:

To consider, and if thought fit, to pass, with or without modification, the following resolution as an Ordinary Resolution:

1) ORDINARY RESOLUTION 1: RATIFICATION OF PLACEMENT OF 55,984,884 SHARES

'That, for the purposes of ASX Limited (ASX) Listing Rule 7.4 and all other purposes, shareholders approve and ratify the issue of 55,984,884 ordinary fully paid shares in the capital of the Company, to professional and sophisticated investors, all being qualified clients of member firms of the ASX or other eligible investors, at an issue price of \$0.86 per share, which were issued on 6 June 2013, and on such terms and conditions as set out in the Explanatory Notes accompanying this Notice of Meeting.'

The funds are being used primarily to enable the Company to continue to accelerate its current development and production activities, and for general corporate purposes.

The Company will disregard any votes cast on this ordinary resolution by any person who participated in the issue (a '**Participating Party**') and any associate of a Participating Party. However, the Company will not disregard a vote if:

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

OTHER BUSINESS:

To deal with any other business that may legally be brought forward in accordance with the Constitution and the *Corporations Act 2001*.

EXPLANATORY NOTES:

Explanatory notes for Agenda Item 1 appear on the following pages.

By order of the Board



Craig Gooden
Company Secretary
15 July 2013

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VOTING ENTITLEMENTS

The Company has determined that, in accordance with Regulation 7.11.37 of the *Corporations Regulations 2001* (Cth), the Company's shares quoted on ASX at 10:00am on Saturday 17 August 2013 will be taken, for the purposes of the Extraordinary General Meeting, to be held by the persons who held them at that time. Accordingly, those persons are entitled to attend and vote at the meeting.

PROXIES

A shareholder who is entitled to attend and vote at the Extraordinary General Meeting may appoint up to two proxies to attend and vote on behalf of that shareholder. A proxy form is included with this Notice of Extraordinary General Meeting. If you require an additional proxy form, please contact:

Computershare Investor Services Pty Limited
GPO Box 1903, Adelaide, SA 5001, Australia

If a shareholder appoints two proxies, the appointment of the proxies may specify the proportion or the number of that shareholder's votes that each proxy may exercise. If the appointment does not so specify, each proxy may exercise half of the votes. Fractions of votes will be disregarded.

A proxy need not be a shareholder of the Company. Proxies given by corporate shareholders must be executed in accordance with their constitutions, or signed by a duly authorised officer or attorney.

To be effective, the Company must receive the completed proxy form and, if the form is signed by the shareholder's attorney or authorised officer, the authority under which the proxy form is signed (or a certified copy of the authority) by no later than 10:00am (Adelaide time) on Saturday 17 August 2013, by post or fax to:

- the Company's registered office at **32 Beulah Road, Norwood, South Australia 5067** (facsimile number **(08) 8132 0766**); or
- the Company's share registrar, **Computershare Investor Services Pty Limited**, as listed below.
- **Custodian Voting** – for Intermediary Online subscribers only (Custodians) please visit www.intermediaryonline.com to submit your voting intentions.

Mail:	In person:	Fax:
Sundance Energy Australia Limited C/- Computershare Investor Services Pty Limited GPO Box 242 Melbourne VIC 3001 Australia	Sundance Energy Australia Limited C/- Computershare Investor Services Pty Limited Level 5, 115 Grenfell Street Adelaide SA 5001 Australia	Sundance Energy Australia Limited C/- Computershare Investor Services Pty Limited (within Australia) 1800 783 447 (outside Australia) +613 9473 2555

If you require an additional proxy form, please contact Computershare Investor Services Pty Limited.

Appointment of company representative

A body corporate may elect to appoint a representative, rather than appoint a proxy, in accordance with the *Corporations Act 2001*. Where a body corporate appoints a representative, the Company requires written proof of the representative's appointment to be lodged with or presented to the Company before the meeting.

Voting by proxies

A proxy may decide whether to vote on any motion, except where the proxy is required by law or the constitution to vote, or abstain from voting, in their capacity as proxy. If a proxy is directed how to vote on an item of business, the proxy may vote on that item only in accordance with the direction. If a proxy is not directed how to vote on an item of business, the proxy may vote as he or she thinks fit. If a proxy abstains from voting and the directions on the proxy require that person to vote, the votes not exercised by the proxy will be given to the Chair to vote in accordance with the directions on the proxy form.

Where more than one proxy is appointed, neither proxy is entitled to vote on a show of hands.

Please read the directions on the proxy form carefully.

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Extraordinary General Meeting – Explanatory Notes

These Explanatory Notes have been prepared for the information of shareholders in connection with the Extraordinary General Meeting of shareholders to be held on Monday 19 August 2013 at 10:00am at the Minter Ellison Board Room at Level 10, 25 Grenfell Street, Adelaide, South Australia.

These Explanatory Notes should be read in conjunction with the accompanying Notice, and are a brief explanation of Agenda Item 1 in the Notice, and why the Company is seeking this shareholder approval.

GENERAL BACKGROUND

The Extraordinary General Meeting referred to in the accompanying Notice is being held so the Company's shareholders can consider the resolution set out in the Notice, in accordance with Listing Rule 7.4 of ASX Limited (**ASX**).

Resolution 1 seeks shareholder approval for the recent placement of 55,984,884 shares in the Company to professional and sophisticated investors. If this resolution is approved, the Company will have the flexibility to make a placement or placements to investors, without requiring a prospectus or shareholder approval, if the Board considers that it is in the interests of the Company to do so. As discussed below, the Company's ability to make further issues of securities is regulated by the ASX Listing Rules, which limit the placements which the Company can make without shareholder approval.

The Board has not yet decided to raise funds by way of a placement, and is only seeking shareholder approval to do so in case opportunities arise.

The Board is seeking shareholder approval now so that, if appropriate, the Company can raise additional funds rapidly, via a placement or placements. For example, the Company may require further funds to quickly take advantage of attractive drilling opportunities, as they become available. The Company may also require funds for its ongoing lease acquisition program, and other corporate opportunities. The Board has not yet made any decision to proceed with such a placement(s). Before making such a decision the Board would take into account the Company's need for funds, the potential benefits and risks of any potential acquisition, and the implications for shareholders.

AGENDA ITEM 1) ORDINARY RESOLUTION 1: RATIFICATION OF PLACEMENT OF 55,984,884 SHARES

Background

The Board seeks shareholder approval of the issue of 55,984,884 shares by a placement, on the terms set out in Resolution 1 of the Notice. The shares were issued to professional and sophisticated investors, at an issue price of \$0.86 per share, to raise an amount of \$48,147,000 before costs (**Placement**). The shares were issued on 6 June 2013. Those shares were issued in accordance with ASX Listing Rule 7.1, and did not require shareholder approval.

If Resolution 1 is approved by shareholders, this will provide the Company with the flexibility to make a further placement or placements to investors, without requiring a prospectus or shareholder approval, if the Board considers that it is in the interests of the Company to do so.

In determining the issue price for the Placement, the Board had regard to the five (5) day volume weighted average share price for the Company, calculated as at the closing price on 28 May 2013. On this basis, the Board considered that the share issue price of \$0.86 was appropriate and in the best interests of the Company, given the Company's wish to raise funds to accelerate development of the Company's acreage, and for general corporate purposes (see below). This share issue price represented a discount of approximately 8.7% from the five (5) day average weighted share price mentioned above. As a result of strong investor demand, the placement was heavily oversubscribed.

The Company also offered eligible shareholders the opportunity to subscribe for shares at the same price (\$0.86), under the Company's Share Purchase Plan (**SPP**), as announced on 31 May 2013. The SPP opened on 10 June 2013 and closed on 28 June 2013, and 1,517,454 shares were issued under the SPP on 5 July 2013.

How are the funds being used?

The Company obtained these additional funds via the Placement in order to accelerate development of its Eagle Ford and Mississippian/Woodford acreage, as well as to use for general corporate purposes. In particular, the Company was encouraged to accelerate its activities in the promising Eagle Ford acreage, due to faster than expected drilling times in that acreage. Funds from the Placement will be applied to these development activities, which are expected to bring forward both production growth and reserve value. This strategy is consistent with the Company's recent emphasis on developing its high interest, Company-operated assets. The current financial position and outlook of the Company remains debt free and operationally cash flow positive.

Key Information

ASX Listing Rule 7.5 requires the following information about the Placement to be given to the Company's shareholders.

Issuee: All of the shares were issued to qualified clients of member firms of the ASX or other investors, who were able to satisfy the 'professional investor' or 'sophisticated investor' requirements under the Act, or who for other reasons did not require a disclosure document to be prepared, in order to take up shares in the Company. Accordingly the Company was able to make this placement, without needing to prepare a prospectus or other disclosure document.



Extraordinary General Meeting – Explanatory Notes

Sundance Energy Australia Limited

Key Information *continues*

- Number issued:** The number of shares allotted and issued under the Placement was 55,984,884.
- Issue price:** The shares were issued at an issue price of \$0.86 per share.
- Terms of issue:** The securities issued were fully paid ordinary shares in the Company. The shares were issued on the same terms as the Company's other fully paid ordinary shares.
- Use of funds raised:** The funds are being used primarily to accelerate development of the Company's Eagle Ford and Mississippian/Woodford acreage and for general corporate purposes. See above for more details.

Reasons for Seeking Shareholder Approval

The Board seeks subsequent shareholder approval for the recent issue of 55,984,884 shares, as discussed above. This will permit the Company in future to raise funds quickly, if appropriate, by way of a placement. The Company would be able to make such a placement rapidly, since the placement would not require a prospectus or shareholder approval.

The Directors seek shareholder approval to do so, as they consider that this provides the most efficient, cost-effective and fastest way of raising additional funds, should that be deemed to be in the best interest of the Company.

If Resolution 1 is approved by shareholders, this will provide the Company with the flexibility to make a further placement or placements to investors, and raise funds quickly, if the Board considers that it is in the interests of the Company to do so. For example, the Company may require further funds to take advantage of opportunities, as they become available. The Company intends to use all funds raised by the issue of new ordinary shares of the Company to develop its oil assets and for its ongoing lease acquisition program, as well as for general corporate purposes. Please refer to the discussion under the heading 'General Background' above.

Under the ASX Listing Rules, the Company may not issue shares or options over unissued shares, comprising more than 15% of its issued share capital, in any 12 month period without shareholder approval. This is subject to limited exceptions. In calculating the 15% threshold, any issue that has been subsequently approved by shareholders under ASX Listing Rule 7.4 is not included in the 15% calculation.

For this reason, shareholder approval is sought for the previous issue of 55,984,884 shares in the Company to professional and sophisticated investors under the Placement. This will permit the Company to issue additional shares or options in the Company at a later date, by way of placement, without requiring shareholder approval for that placement.

If shareholder approval is granted, the Company may exclude the issue of these shares to professional and sophisticated investors, when calculating whether a future issue of shares or options will fall within the 15% limit under the ASX Listing Rules. This will have the same effect as if shareholder approval had been obtained before the Company issued the shares to the professional and sophisticated investors.

The Board has not yet made any decision to raise more funds via a placement(s), if Resolution 1 is approved by shareholders. Any decision would take into account a number of factors, including the implications for shareholders. Please refer to the discussion under the heading 'General Background' above.

Directors' Recommendation

The Directors unanimously recommend that shareholders vote FOR Resolution 1 for the subsequent approval of the issue of shares under the Placement which have been issued by the Company, as outlined above. This will enable the Company to continue to accelerate its current development and production activities, as well as develop new opportunities.

GLOSSARY

- "Act"** means *Corporations Act 2001*;
- "ASX"** means ASX Limited;
- "ASX Listing Rules"** means the Listing Rules of ASX;
- "Board"** means the board of directors of the Company;
- "Company"** means Sundance Energy Australia Limited ACN 112 202 883;
- "Directors"** means the directors of the Company;
- "Notice"** means the notice of meeting which accompanies these Explanatory Notes;
- "Placement"** means the recent placement of 55,984,884 shares made by the Company, on the terms set out in Resolution 1 of the Notice;
- "shares"** means fully paid ordinary shares in the Company, where the context permits; and
- "shareholder"** means a shareholder of the Company.

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Lodge your vote:

 **By Mail:**
Computershare Investor Services Pty Limited
GPO Box 242 Melbourne
Victoria 3001 Australia

Alternatively you can fax your form to
(within Australia) 1800 783 447
(outside Australia) +61 3 9473 2555

For Intermediary Online subscribers only
(custodians) www.intermediaryonline.com

For all enquiries call:
(within Australia) 1300 556 161
(outside Australia) +61 3 9415 4000

Proxy Form

 **For your vote to be effective it must be received by 10:00am (Adelaide time) Saturday 17 August 2013**

How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

Appointment of Proxy

Voting 100% of your holding: Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote as they choose. If you mark more than one box on an item your vote will be invalid on that item.

Voting a portion of your holding: Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

Appointing a second proxy: You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

A proxy need not be a securityholder of the Company.

Signing Instructions

Individual: Where the holding is in one name, the securityholder must sign.

Joint Holding: Where the holding is in more than one name, all of the securityholders should sign.

Power of Attorney: If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

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

Attending the Meeting

Bring this form to assist registration. If a representative of a corporate securityholder or proxy is to attend the meeting you will need to provide the appropriate "Certificate of Appointment of Corporate Representative" prior to admission. A form of the certificate may be obtained from Computershare or online at www.investorcentre.com under the information tab, "Downloadable Forms".

Comments & Questions: If you have any comments or questions for the company, please write them on a separate sheet of paper and return with this form.

Turn over to complete the form →



View your securityholder information, 24 hours a day, 7 days a week:

www.investorcentre.com

- Review your securityholding
- Update your securityholding

Your secure access information is:

SRN/HIN:



PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.

Change of address. If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.

Proxy Form

Please mark to indicate your directions

STEP 1 Appoint a Proxy to Vote on Your Behalf

I/We being a member/s of Sundance Energy Australia Limited hereby appoint

the Chairman of the meeting **OR**

PLEASE NOTE: Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, as the proxy sees fit) at the Extraordinary General Meeting of Sundance Energy Australia Limited to be held at the Minter Ellison Boardroom, Level 10, 25 Grenfell Street, Adelaide, South Australia, 5000 on Monday 19 August 2013 at 10:00am (Adelaide time) and at any adjournment of that meeting.

STEP 2 Items of Business

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

SPECIAL BUSINESS

1 Ratification of Placement of Shares

	For	Against	Abstain
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

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

SIGN Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

Contact Name _____

Contact Daytime Telephone _____

Date / /

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