

16 November 2016

ASX Announcements
ASX Limited
20 Bridge Street
SYDNEY NSW 2000

FOR IMMEDIATE RELEASE

Dear Sir/Madam,

Convergent Minerals Ltd (Subject to Deed of Company Arrangement)
A.C.N. 120 909 953

MARKET RELEASE – NOTICE OF ANNUAL GENERAL MEETING AND PROXY FORM

Please see attached Notice of Annual General Meeting and Proxy form for immediate release.

Yours faithfully
Convergent Minerals Ltd



Alan Hayes
Deed Administrator

CONVERGENT MINERALS LTD

ACN 120 909 953

(SUBJECT TO DEED OF COMPANY ARRANGEMENT)

(TO BE RENAMED “EAST WEST ENERGY LIMITED”)

NOTICE OF ANNUAL GENERAL MEETING

TIME: 10 am (AEST)

DATE: 16 December 2016

PLACE: Berry Capital Group, Level 17, Australia Square, 264-278 George Street, Sydney NSW 2000

The Deed Administrator has given consent to convene the Meeting and to dispatch this Notice of Meeting and the accompanying Explanatory Memorandum, but express no opinion about any of their contents including but in no way limited to any statement regarding the Restructure or Recapitalisation Proposals other than as set out in their report to the Company’s Creditors dated 22 December 2015. The Deed Administrator makes no recommendations about how Shareholders should vote on the resolutions contained in the Notice of Meeting and has not undertaken any due diligence in relation to the Restructure or Recapitalisation Proposals and relied on discussions with Berry Capital Group Limited and their advisers. The Directors have prepared and take responsibility for these documents and have caused the dispatch of the Notice of Meeting and accompanying Explanatory Memorandum.

In considering the Resolutions, Shareholders must bear in mind the current financial circumstances of the Company. If Shareholders do not approve the Restructure Resolutions, then the Deed Administrator will, in absence of any other Deed of Company Arrangement proposal or a variation to the terms of the Deed of Company Arrangement, have no other option but to recommend to the Creditors that the Company be put into liquidation. In those circumstances, it is unlikely that there will be any return to Shareholders.

This Notice of Annual General Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.

Shareholders are urged to attend or vote by lodging the Proxy Form attached to this Notice.

Should you wish to discuss any matter please do not hesitate to contact the Deed Administrator by telephone on (02) 8270 9300.

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Convergent Minerals Ltd (ACN 120 909 953)

(Subject to Deed of Company Arrangement)

NOTICE OF ANNUAL GENERAL MEETING

Notice is given that an Annual General Meeting of Shareholders of Convergent Minerals Ltd (Subject to Deed of Company Arrangement) (**Convergent** or the **Company**) will be held at the offices of Berry Capital Group Level 17, Australia Square, 264-278 George Street, Sydney NSW 2000 on 16 December 2016 at 10 am (AEST) (**Meeting**).

Each of the Resolutions proposed to be put to Shareholders at the Meeting are set out in this Notice of Annual General Meeting (**Notice**). The Explanatory Memorandum accompanying this Notice provides additional information regarding those Resolutions to be considered at the Meeting. The details of the Resolutions contained in the Explanatory Memorandum should be read together with, and form part of, this Notice.

Terms used and defined in the Explanatory Memorandum have the same meanings when used in this Notice.

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

AGENDA

FINANCIAL STATEMENTS AND REPORTS FOR THE YEAR ENDED 30 JUNE 2015

To receive and consider the Financial Report of the Company, together with the Directors' Report (including the Remuneration Report) and Auditor's Report, for the year ended 30 June 2015.

Note: Except as set out in Resolution 1 below, there is no requirement for Shareholders to approve these reports. Accordingly, no resolution will be put to Shareholders on this item of business.

1. RESOLUTION 1: ADOPTION OF REMUNERATION REPORT

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

"That, for the purposes of section 250R(2) of the Corporations Act and for all other purposes, the Remuneration Report (included in the Directors' Report) for the financial year ended 30 June 2015 be adopted."

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

Voting Exclusion Statement

A vote in respect of Resolution 1 must not be cast (in any capacity) by or on behalf of any of the following persons:

- (a) a member of the Key Management Personnel whose remuneration details are included in the Remuneration Report; or
- (b) a Closely Related Party of such member.

However, a person (the **voter**) described above may cast a vote on this Resolution as a proxy if the vote is not cast on behalf of a person described in subparagraphs (a) or (b) above and either:

- (a) the voter does so as a proxy appointed by writing that specifies how the proxy is to vote on this Resolution; or
- (b) the voter is the Chairman and the appointment of the Chairman as proxy:
 - (i) does not specify the way the proxy is to vote on this Resolution; and
 - (ii) expressly authorises the Chairman to exercise the proxy even though this Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

2. RESOLUTION 2: RATIFICATION OF PRIOR SHARE ISSUE – ASX LISTING RULE 7.1

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

“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 20,000,000 Shares (pre-consolidation) on the terms and conditions set out in the Explanatory Memorandum.”

Voting Exclusion: The Company will disregard any votes cast on this Resolution by a person who participated in the issue and any associates of those persons. However, the Company will not disregard a vote if it is cast by:

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

3. RESOLUTION 3: CONSOLIDATION OF CAPITAL

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

“That, subject to each of the other Recapitalisation Resolutions being passed, pursuant to section 254H of the Corporations Act and for all other purposes, the issued capital of the Company be consolidated on the basis that every ten (10) Shares be consolidated to one (1) Share and, where this Consolidation results in a fraction of a Share being held, the Company be authorised to round that fraction up to the nearest whole Share.”

Voting Exclusion: As Resolutions 3-10 are inter-conditional, a person whose votes are disregarded on Resolutions 4-10 will have their votes on Resolution 3 disregarded.

4. RESOLUTION 4: ISSUE OF BCG LLC PLACEMENT SHARES AND BCG LLC PLACEMENT OPTIONS

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

“That, subject to each of the other Recapitalisation Resolutions being passed, for the purposes of item 7 of section 611 of the Corporations Act and for all other purposes, approval is given for:

(a) the Company to issue:

(i) 700,000,000 BCG LLC Placement Shares (on a post-Consolidation basis); and

(ii) 50,000,000 BCG LLC Placement Options (on a post-Consolidation basis)

to the BCG LLC Members.

and

(b) the BCG LLC Members to acquire a relevant interest in the issued voting shares of the Company by in excess of the threshold prescribed by section 606(1) of the Corporations Act,

all on the terms and conditions set out in the Explanatory Memorandum.”

Voting Exclusion

The Company will disregard any votes cast on this Resolution by each of the BCG LLC members (namely Broughton Vale Holdings Pty Ltd, Xinhua Network Ltd, and Star Prospect Ltd) or any of their associates.

However, the Company will not disregard a vote if it is cast by:

- (a) a person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or
- (b) by the Chair as a proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides. For details of the terms applicable to the options see Schedule 2.

As Resolutions 3-10 are inter-conditional, a person whose votes are disregarded on Resolutions 3, 5-10 will have their votes on Resolution 4 disregarded.

5. RESOLUTION 5: ISSUE OF BCG LLC PLACEMENT SHARES AND BCG LLC PLACEMENT OPTIONS TO BROUGHTON VALE HOLDINGS PTY LTD

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

“That, subject to each of the other Recapitalisation Resolutions being passed, for the purposes of section 208 and Item 7 of section 611 of the Corporations Act, Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue:

(a) 372,750,000 BCG LLC Placement Shares (on a post-Consolidation basis); and

(b) 26,625,000 BCG LLC Placement Options (on a post-Consolidation basis)

to Broughton Vale Holdings Pty Ltd (these Securities form part of the BCG LLC Placement Shares and will not be in addition to the issue of these Securities), an entity controlled by a related party to Mr. Mitchell McGeorge, a Proposed Director, on the terms and conditions set out in the Explanatory Memorandum.”

Voting Exclusion

The Company will disregard any votes cast on this Resolution by Broughton Vale Holdings Pty Ltd and any of its associates.

However, the Company will not disregard a vote if it is cast by:

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

As Resolutions 3-10 are inter-conditional, a person whose votes are disregarded on Resolutions 3-4, 6-10 will have their votes on Resolution 5 disregarded.

6. RESOLUTION 6: ELECTION OF MR. MITCHELL MCGEORGE AS A DIRECTOR

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

“That subject to each of the other Recapitalisation Resolutions being passed, Mr. Mitchell McGeorge, being eligible and having consented to act, be elected as a Director in accordance with the Company’s Constitution.”

Voting Exclusion: As Resolutions 3-10 are inter-conditional, a person whose votes are disregarded on Resolutions 3-5, 7-10 will have their votes on Resolution 6 disregarded.

7. RESOLUTION 7: ELECTION OF DR. SCOTT BROWNLAW AS A DIRECTOR

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

“That subject to each of the other Recapitalisation Resolutions being passed, Dr. Scott Brownlaw, being eligible and having consented to act, be elected as a Director in accordance with the Company’s Constitution.”

Voting Exclusion: As Resolutions 3-10 are inter-conditional, a person whose votes are disregarded on Resolutions 3-6, 8-10 will have their votes on Resolution 7 disregarded.

8. RESOLUTION 8: ELECTION OF MR. JOHN READER AS A DIRECTOR

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

“That subject to each of the other Recapitalisation Resolutions being passed, Mr. John Reader, being eligible and having consented to act, be elected as a Director in accordance with the Company’s Constitution.”

Voting Exclusion: As Resolutions 3-10 are inter-conditional, a person whose votes are disregarded on Resolutions 3-7, 9-10 will have their votes on Resolution 8 disregarded.

9. RESOLUTION 9: ELECTION OF MR. VICK DUSIK AS A DIRECTOR

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

“That subject to each of the other Recapitalisation Resolutions being passed, Mr. Vick Dusik, being eligible and having consented to act, be elected as a Director in accordance with the Company’s Constitution.”

Voting Exclusion: As Resolutions 3-10 are inter-conditional, a person whose votes are disregarded on Resolutions 3-8, 10 will have their votes on Resolution 9 disregarded.

10. RESOLUTION 10: CHANGE OF COMPANY NAME

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

“That, subject to each of the other Recapitalisation Resolutions being passed, that for the purpose of section 157(1) of the Corporations Act and for all other purposes, the name of the Company be changed from “Convergent Minerals Ltd” to “East West Energy Limited” with effect from the date that ASIC alters the Company’s registration and that, for the purpose of section 136(2) of the Corporations Act and for all other purposes, all references to “Convergent Minerals Ltd” in the Company’s Constitution be replaced with references to “East West Energy Limited.”

This Resolution is a special resolution and can only be passed if at least 75% of the votes cast, in person or by proxy, attorney or representative, by members who are entitled to vote on the Resolution, are voted in favour.

Voting Exclusion: As Resolutions 3-10 are inter-conditional, a person whose votes are disregarded on Resolutions 3-9 will have their votes on Resolution 10 disregarded.

By Order of the Board



Robert Reynolds
Chairman

Dated: 11 November 2016

Important Notes

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

Voting Entitlements

The Chairman has determined pursuant to regulation 7.11.37 of the *Corporations Regulations 2001* (Cth) that the persons eligible to vote at the Meeting are those who are registered as Shareholders of the Company at 10 am (AEST) on 14 December 2016.

Voting in person

To vote in person, attend the Meeting on the date and at the place set out on the front of this Notice.

Voting by proxy

To vote by proxy, please complete and sign the enclosed Proxy Form and return by the time and in accordance with the instructions set out on the Proxy Form. ***Proxy Forms received later than this time will be invalid.***

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

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

Proxy vote if appointment specifies way to vote

Section 250BB(1) of the Corporations Act provides that an appointment of a proxy may specify the way the proxy is to vote on a particular Resolution and, if it does:

- (a) the proxy need not vote on a show of hands, but if the proxy does so, the proxy must vote that way (i.e. as directed);
- (b) if the proxy has 2 or more appointments that specify different ways to vote on the Resolution - the proxy must not vote on a show of hands;
- (c) if the proxy is the chair of the meeting at which the Resolution is voted on - the proxy must vote on a poll, and must vote that way (i.e. as directed); and
- (d) if the proxy is not the chair - the proxy need not vote the poll, but if the proxy does so, the proxy must vote that way (i.e., as directed).

Transfer of non-chair proxy to chair in certain circumstances

Section 250BC of the Corporations Act provides that, if:

- (a) an appointment of a proxy specifies the way the proxy is to vote a particular Resolution at a meeting of the Company/s members;
- (b) the appointed proxy is not the chair of the meeting;
- (c) at the meeting a poll is duly demanded on the Resolution; and
- (d) either of the following applies:
 - (i) the proxy is not recorded as attending the meeting;
 - (ii) the proxy does not vote the Resolution,

the chair of the meeting is taken, before voting on the Resolution closes, to have been appointed as the proxy for the purposes of voting the Resolution at the meeting.

LETTER TO SHAREHOLDERS

Dear Shareholders

On the 2 September 2015, Convergent Minerals' securities were suspended from quotation on the Australian Securities Exchange.

On the 14 September 2015, the Directors of the Company resolved to place the Company in voluntary administration and appoint Messrs. Alan Hayes and Christian Spowles of Hayes Advisory Pty Ltd as joint and several administrators of the Company.

On the 22 December 2015, at a meeting of creditors of the Company, the creditors of the Company resolved that the Company execute a Deed of Company Arrangement (DOCA) between the Company and the administrators, and Berry Capital Group Pty Ltd (BCG) as recommended by the administrators. The original DOCA was subsequently executed on the 14 January 2016. Under the terms of the DOCA, the administrators were appointed as the Deed Administrators. The DOCA was subsequently amended by a resolution passed at a meeting of Creditors on the 18 December 2016

The DOCA includes proposals for the Restructure and Recapitalisation of the Company. Completion of the DOCA is subject to a number of conditions, including obtaining necessary shareholder approvals. The Restructure Resolutions proposed in the attached Notice will enable several of the DOCA conditions to be met. None of the Restructure Resolutions required under the DOCA and listed in the accompanying Notice of Meeting will take effect unless all of the Restructure Resolutions are duly passed.

If, at a subsequent Meeting of Shareholders, the Recapitalized Resolutions are passed and the Recapitalized Proposal completed, the Company will seek the reinstatement to trading of its Shares on ASX. If any of the Recapitalisation Resolutions are not passed by Shareholders, the Company will have to seek a new Recapitalisation proposal and, if unsuccessful, may be placed into liquidation. In the event of liquidation, no return to Shareholders is anticipated. If the Recapitalisation Resolutions are passed but not implemented, the trading suspension of the Company's securities will remain in force and the Company's Directors at that time will need to consider other alternatives.

In summary the proposals involve two elements. The first, to be considered at this meeting, are the Restructure Proposals for the Company. They include share consolidation, issue of placement shares to BCG members and directors of the newly structured Company, election of new Board of Directors and a Change of Company Name. The second meeting will consider Recapitalisation Proposals and re-admission of the Company's shares to trading on the ASX official list. These proposals will include proposals for the issue of shares to Creditors of the Company, for capital raising from the public, and compliance with ASX listing rules for re-admission to the official list.

On completion of the DOCA in accordance with its terms:

- The DOCA will terminate;
- All admitted claims against the Company arising on or before 16 December 2016 (Claims) will be released and will revert to being claims against the Convergent Creditors Trust, being the Trust defined in the DOCA; and
- The Company will acquire certain oil and gas projects and will seek reinstatement to the ASX.

I urge you to attend the meeting and exercise your vote in favor of the resolutions proposed. It is very important that you participate in the decision which could be crucial for the future of your investment in the Company. If you are unable to attend the meeting in person, you should forward your proxy to the Company so as to be received no later than the time and date specified on the Proxy Form.

The Restructure and Recapitalisation Proposals maximize the chances of the Company continuing and provides an opportunity for a better return to creditors and shareholders of the Company than would be expected if the Company is wound up.

The Deed Administrator has given consent to convene this Meeting and to dispatch this Notice of Meeting and the accompanying Explanatory Memorandum, but have taken no part in the preparation of these documents and express no opinion about any of their contents including but in no way limited to any statement regarding the Restructure or Recapitalisation Proposal other than as set out in their report to the Company's Creditors dated 22

December 2015. The Deed Administrator makes no recommendations about how Shareholders should vote on the resolutions contained in the Notice of Meeting and have not undertaken any due diligence in relation to the Restructure or Recapitalisation Proposals. They have relied on discussions with Berry Capital Group Limited and their advisers. The Directors have prepared and take responsibility for these documents and have caused the dispatch of the Notice of Meeting and accompanying Explanatory Memorandum.

Yours faithfully,

A handwritten signature in black ink, appearing to read 'R Reynolds', written in a cursive style.

Robert Reynolds
CHAIRMAN

Convergent Minerals Ltd

ACN 120 909 953

(Subject to Deed of Company Arrangement)

EXPLANATORY MEMORANDUM

1. INTRODUCTION & GENERAL INFORMATION

This Explanatory Memorandum has been prepared for the information of Shareholders in connection with the business to be conducted at the Meeting to be held at the offices of Berry Capital Group at Level 17, Australia Square, 264-278 George Street, Sydney NSW 2000 on 16 December 2016 at 10 am (AEST).

This Explanatory Memorandum should be read in conjunction with and forms part of the Notice. The purpose of this Explanatory Memorandum is to provide information to Shareholders in deciding whether or not to pass the Resolutions set out in the Notice.

In considering the Resolutions, Shareholders must bear in mind the current financial circumstances of the Company. In this regard, Shareholders should note that the Administrators issued reports to Creditors of the Company in accordance with section 439A of the Corporations Act. The reports set out in detail the financial position of the Company, the actions and investigations undertaken by the Administrators, the reasons for the failure of the Company and the Administrators' recommendation for the future of the Company. A copy of this report is available via "CVG" on the ASX website (www.asx.com.au). The Shareholders should note that it was prepared for the benefit of Convergent's Creditors and any opinions expressed by the Administrators in this report relate to the Creditors' interests which may not be aligned with the Shareholders' interests. Shareholders should accordingly consider whether the conclusions and recommendations contained therein are relevant to their interests as shareholders (rather than creditors) of the Company.

Resolutions 3-10 contained in the Notice (together the **Restructure Resolutions**) together with the resolutions to be put to Shareholders at a subsequent meeting of Shareholders (**Recapitalisation Meeting**) will enable the Company to be recapitalized pursuant to the Recapitalisation Proposal (refer to Section 6.3 below for details of the Recapitalisation Proposal).

If Shareholders reject the Restructure Resolutions, the subject of the Notice, then the Deed Administrator will, in the absence of any other Company Deed of Company Arrangement (DOCA) proposal or a variation, will call a further meeting of Creditors to consider the options available. Where shareholders reject the resolution, it is likely the Company will be placed into liquidation and it is likely that there would be no return to Shareholders.

2. FINANCIAL STATEMENTS AND REPORTS FOR THE YEAR ENDED 30 JUNE 2015

The Corporations Act requires the Company's Financial Report, Directors' Report (including the Remuneration Report) and Auditor's Report for the financial year ending 30 June 2015 to be laid before the Annual General Meeting.

Shareholders will be provided with the opportunity to ask questions about the reports or about the Company generally. However, except as set out in Resolution 1, no resolution is required on these reports.

The Company will not provide a hard copy of the Company's Annual Report to Shareholders unless specifically requested to do so. The Company's Annual Report can be found on the ASX's website at www.asx.com.au.

3. RESOLUTION 1: ADOPTION OF REMUNERATION REPORT (NON-BINDING RESOLUTION)

- (a) As required by section 250R(2) of the Corporations Act, a resolution that the Company's Remuneration Report be adopted, must be put to the Shareholders. The Remuneration Report sets out the Company's remuneration arrangements for the Directors and senior management of the Company (described as "**Key Management Personnel**"). The Remuneration Report is contained within the Directors' Report in the Company's Annual Financial Report for the financial year ended 30 June 2015. However, section 250R(3) of the Corporations Act provides that the vote on this Resolution is advisory only and does not bind the Directors or the Company, other than in respect of paragraphs (c) – (e) below.

- (b) In accordance with section 250SA of the Corporations Act, Shareholders will be provided with a reasonable opportunity to ask questions or make comments on the Remuneration Report at the Annual General Meeting.
- (c) As required by section 250R(4) of the Corporations Act, interests in Shares held by Key Management Personnel (including Directors) of Convergent (as named within the Remuneration Report contained in the 2015 Financial Report) or their Closely Related Parties (together **Prohibited Persons**) will be excluded from voting on this Resolution. However, the Company will not disregard a vote if the Prohibited Person does so as a proxy appointed by writing that specifies how the proxy is to vote on the proposed Resolution and the vote is not cast on behalf of a Prohibited Person.
- (d) As required by section 250U of the Corporations Act, in the event that 25% of the votes cast in respect of this Resolution are opposed to the passing of the Remuneration Report and if members make comments at the Meeting, then in the following year the Board of the Company must report on any proposed responses to those comments, or explain why the Board of the Company does not propose any response.
- (e) Furthermore, as required by section 250U and section 250V of the Corporations Act, if 25% of the votes cast at the 2015 and 2016 AGMs (or two consecutive AGMs beyond that period) oppose the adoption of the Remuneration Report, then at the 2016 (or second) AGM, the Company must give members the option to pass a Resolution (**Spill Resolution**) requiring that the entire Board of Directors (except the Managing Director) stand for re-election at a further general meeting. This meeting must take place within ninety (90) days after the AGM. Passing of the Spill Resolution, which is subject to the same voting exclusion provisions as Resolution 1, will require that 50% or more of votes cast are in favour of such a Spill Resolution.
- (f) The Board believes the Company's remuneration policies and structures as outlined in the Remuneration Report are appropriate relative to the size of the Company, its business and strategic objectives and in relation to current and emerging market practices.
- (g) In respect of undirected proxies, if the Chairman of the Meeting is appointed (or taken to be appointed) as a proxy, the Shareholder can direct the Chairman of the Meeting to vote for or against, or to abstain from voting on Resolution 1 (Adoption of Remuneration Report) by marking the appropriate box opposite Resolution 1 in the Proxy Form. Pursuant to section 250R(5) of the Corporations Act, if the Chairman of the meeting is a proxy and the relevant Shareholder does not mark any of the boxes opposite Resolution 1, the relevant Shareholder will be expressly authorising the Chairman to exercise the proxy in relation to Resolution 1.

The Chairman intends to exercise such proxies by voting them in favour of the adoption of the Remuneration Report.

The Directors unanimously recommend that Shareholders vote in favour of Resolution 1.

4. RESOLUTION 2: RATIFICATION OF PRIOR ISSUE OF SHARES

4.1. Background

On 31 July 2015, the Company announced a placement of 20,000,000 Shares at an issue price of \$0.0075 per Share raising \$150,000. These Shares were issued on 31 July 2015 (13,333,333 Shares) and on 31 July 2015 (6,666,667 Shares).

Resolution 2 seeks Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the 20,000,000 Shares issued without Shareholder approval pursuant to the Company's placement capacity under ASX Listing Rule 7.1.

Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more equity securities during any 12 month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period.

Listing Rule 7.4 sets out an exception to Listing Rule 7.1. It provides that where a company at a general meeting ratifies the previous issue of securities made pursuant to Listing Rule 7.1 (and provided that the previous issue did not breach Listing Rule 7.1) those securities will be deemed to have been made with shareholder approval for the purpose of Listing Rule 7.1.

By ratifying the issue, the subject of Resolution 2, the Company will retain the flexibility to issue equity securities in the future up to the 15% annual placement capacity set out in Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

Resolution 2 is an ordinary resolution.

4.2. Technical information required by Listing Rule 7.5

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

- (a) 20,000,000 Shares were issued pursuant to Listing Rule 7.1.
- (b) The issue price for the Shares was \$0.0075 per Share.
- (c) The Shares issued were fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares.
- (d) These shares were issued to investors classified as sophisticated or professional investors under Section 708 of the Corporations Act. None of these shareholders are related parties of the Company.
- (e) The funds raised from the placement were used to provide general working capital.
- (f) A voting exclusion statement is included in the Notice.

5. CONDITIONAL RESOLUTIONS

The Restructure Resolutions (Resolutions 3-10) are inter-conditional, meaning that each of them will only take effect if all of them are approved by the requisite majority of Shareholders at the Meeting. If any one of the Restructure Resolutions is not approved at the Meeting, none of the Restructure Resolutions will take effect and the matters contemplated by the Restructure Resolutions will not be implemented in accordance with this Notice.

If all Restructure Resolutions in this Notice are passed, the DOCA will be effectuated and terminated, and control of the Company will be returned to the incoming Directors of the Company.

6. OVERVIEW

6.1. Background

Convergent Minerals Ltd was listed on the ASX on the 22 December 2006 and its original activities were listed as "exploration for gold and uranium". Immediately prior to the appointment of the Administrators on 14 September 2015, Convergent was described as a gold-focused company with:

- 1) an intention to mine gold from the Mt Holland Goldfields in Western Australia; and
- 2) an interest in the Esmeralda Prospect in Queensland.

6.2. Suspension of ASX trading and Appointment of Administrator

Convergent's securities were suspended from official quotation on ASX on 2 September 2015 pending the release of an announcement in relation to funding for the Mt Holland Project. On 7 September 2015 and 9 September 2015, Convergent extended the suspension pending further negotiations and documentation of the project funding.

On 14 September 2015, the Company announced that the Board had voluntarily appointed Alan Hayes and Christian Sprowles of Hayes Advisory as Administrators, with immediate effect.

The Deed Administrator estimates that the claims of the Company's Creditors are approximately \$540,000 owing to unsecured creditors (including approximately \$30,000 owing to current Director Robert Reynolds). None of the other creditors are related parties.

6.3. Recapitalisation Proposal

A recapitalisation proposal typically involves an injection of new cash into a company that is either in financial distress or has been placed into voluntary administration.

Berry Capital Group (Australia) Pty Limited (BCGA) and BCG E&P No.1 LLC (BCG LLC) presented the administrators with a proposal for the restructure and recapitalisation of the Company (**Recapitalisation Proposal**).

The Recapitalisation Proposal involves an injection of new cash into the Company so that it can:

- (a) acquire oil and gas production, development and exploration assets; and
- (b) seek to re-comply with Chapters 1 and 2 of the Listing Rules, in order to then seek to be reinstated to official quotation on ASX.

At the meeting of Creditors of the Company held on 22 December 2015, the Administrators recommended to the Creditors that, in the opinion of the Administrators, it was in the best interests of Creditors to approve the execution

of a Deed of Company Arrangement (**DOCA**) in accordance with the Recapitalisation Proposal as outlined in the Administrators' report to Creditors dated 15 December 2015. At this meeting, the Creditors resolved to:

- (a) approve the execution of a Deed of Company Arrangement which embodied the Recapitalisation Proposal; and
- (b) appoint Alan Hayes and Christian Sprowles of Hayes Advisory as Deed Administrators.

On 14 January 2016, the Company, the Administrator, BCGA and BCG LLC executed the original Deed of Company Arrangement and the Creditors' Trust Deed (which appears in the DOCA). The parties also executed a Heads of Agreement detailing the Recapitalisation Proposal on 14 January 2016.

The DOCA was amended by a resolution passed at a meeting of Creditors held on 18 November, 2016.

If the Recapitalisation Proposal is approved by Shareholders (pursuant to the Restructure Resolutions) and DOCA Completion occurs, all claims of Creditors against the Company will be extinguished and released.

BCG LLC will be responsible for overseeing the capital raising activities under the Recapitalisation Proposal, subject to the Deed Administrator's right to take such steps as are necessary to enable compliance with their obligations under the Corporations Act. BCG LLC must procure that the capital raising transactions take place as soon as practicable after the relevant Shareholder approvals are obtained.

Key Terms of the Recapitalisation Proposal and DOCA

The material terms of the Recapitalisation Proposal and the DOCA (as amended) are as follows:

- (a) A moratorium on all Creditor claims against the Company will exist during the term of the DOCA.
- (b) All Creditor claims against Convergent as at the date of the Administrator's appointment are to be extinguished on successful completion of the DOCA.
- (c) A Creditors' Trust is to be established for the purposes of receiving and distributing the funds available to Creditors. The Deed Administrators will be the trustees of the Creditors' Trust. Creditors with admitted claims will become beneficiaries of the Creditors' Trust on completion of the DOCA.
- (d) BCGA and BCG LLC will make the following payments to the Trust Fund:
 - (i) \$100,000 upon execution of the DOCA; and
 - (ii) \$200,000 upon completion of the DOCA.

These payments are to be funded by way of a loan from BCGA/BCG LLC to Convergent. This loan will be repayable upon completion of the Recapitalisation Proposal.

- (e) DOCA property will comprise the \$300,000 in payments from BCGA and BCG LLC (per above), \$100,000 in Creditor shares, and all other property of the Company (excluding tenement interests encumbered in favour of Capri Trading Pty Ltd and/or MH Gold Pty Ltd). The first tranche payment of \$100,000 was paid to the Company Administrators in accordance with the DOCA.
- (f) The DOCA property is to be transferred to the Creditors' Trust on completion of the DOCA, subject to the payment of fees and expenses. The distribution priorities from the Creditors' Trust are to reflect the distribution priorities provided for in the Corporations Act as if the Company was in liquidation and as if the beneficiaries of the Creditors' Trust were unsecured creditors with claims admitted by a liquidator, with the exception that the trustee's remuneration and costs will be paid first.
- (g) BCG LLC will be primarily responsible for, and will meet the costs of preparing Notice of Meeting and the Explanatory Memorandum, obtaining necessary consents from relevant authorities (including ASX and ASIC), preparing notice to shareholders of a general meeting, convening and holding the general meeting.
- (h) The terms are summarised in the tables below.

The following table provides a summary of the material terms of the Restructure Resolutions and the DOCA that will be considered at the Meeting (in Resolutions 3-10).

SHARE CONSOLIDATION (Resolution 3)	Convergent's share capital will be consolidated on the basis of one (1) Share for every ten (10) Shares on issue, rounded up to the nearest whole number, effective from the time of the Meeting.
ISSUE OF SHARES TO BCG MEMBERS (Resolution 4 and 5)	Convergent will: <ul style="list-style-type: none"> • issue 700,000,000 Shares to the BCG Members at an issue price of \$0.00001 per Share to raise \$7,000.
BOARD STRUCTURE (Resolutions 6, 7, 8 and 9)	Convergent must procure: <ul style="list-style-type: none"> • the retirement of all current Directors; and • that the persons nominated in writing by BCGA who have consented to act, are appointed as Directors. <p>Convergent must also procure that a resolution noting and effecting these changes of Directors is proposed at a meeting of Shareholders.</p>
CHANGE OF COMPANY NAME (Resolution 10)	Convergent must change its company name from "Convergent Minerals Ltd" to "East West Energy Limited".

The following table provides a summary of the material terms of the Recapitalisation Proposal and the DOCA that will be considered at the Second Recapitalisation Meeting.

GENERAL OFFER	Convergent will issue: <ul style="list-style-type: none"> • 600,000,000 Shares at an issue price of \$0.03 per Share to raise \$18,000,000 Note the issue price is subject to the appropriate ASX waiver; and • For every two Shares that are issued one Option will be granted. Each Option gives the Option holder the right to subscribe for one Share upon exercise of the Option at an exercise price of \$0.06 per Option for a period of 2 years from the date of issue.
CREDITORS SHARES	Convergent will issue 3,333,333 Convergent Shares to the Creditors' Trust, at an issue price of \$0.03 per Convergent Share (to a total value of \$100,000). Note the issue price is to be equal to the public offer share price and subject to the appropriate ASX waiver, so long as the issue value is \$100,000.
	Each Convergent Share issued in accordance with this placement will rank equally with the other Convergent Shares already on issue (including, for the avoidance of doubt, all rights to dividends and voting rights).
ADVISOR SHARES	Convergent will issue at least 33,102,333 Shares for nil cash consideration.
ADVISOR OPTIONS	Convergent will issue 6,666,667 Options. Each Option gives the Option holder the right to subscribe for one Share upon exercise of the Option at an exercise price of \$0.06 per Option for a period of 2 years from the date the Company's securities are reinstated to trading.

Key Conditions to DOCA completion

Key conditions for completion of the DOCA (as defined in Schedule 1 of the DOCA) include:

- (a) the removal of all encumbrances over property of Convergent (including its mining tenements);
- (b) the deregistration of all subsidiary companies of Convergent or the sale or transfer of all issued capital of the subsidiaries of the Company by the Deed Administrators at the Deed Administrators own cost and on terms satisfactory to BCG LLC; and
- (c) Shareholder approval for the Recapitalisation Proposal.

The conditions must be satisfied by 16 December 2016 or such later date as may be agreed in writing between the Deed Administrator and BCGA/BCG LLC. BCGA/BCG LLC maintains the right to waive any of the conditions.

When the DOCA terminates, the Company ceases to be externally administered and control of the Company reverts to the Directors, being the Proposed Directors as set out in Section 6.5 below.

6.4. BCGA and BCG LLC

BCGA has identified attractive low-risk, low-cost, low-tech opportunities presently available in the oil and gas markets in North America. Consequently, BCGA formed a partnership group of investors to take advantage of these opportunities. In particular, the partnership group formed a Limited Liability Company, BCG LLC, to provide an appropriate investment vehicle to acquire North American oil and gas projects and assets.

BCG LLC will seek to acquire and operate North American onshore oil producing assets with immediate or near-term development and exploration upside. Through efficient low-cost operations, the strategy will allow BCG LLC to incrementally improve margins through acquisition and then, assuming the oil price continues to recover, elevate the margins and use free cash flow to support continued development and further acquisitions.

Further details regarding BCG LLC, its proposed strategy and Convergent's proposed acquisition of 100% of the members' interests in BCG LLC will be contained in the Notice of Meeting and Explanatory Memorandum for the Recapitalisation Meeting.

6.5. Proposed Directors

It is a term of the DOCA (as amended) that the existing Directors resign and nominees of BCG LLC be appointed to the Board. Accordingly, the Company seeks Shareholder approval for the appointment of Mr. McGeorge, Dr. Brownlaw, Mr. Reader and Mr. Dusik as Directors of the Company (Resolutions 6, 7, 8 and 9).

The incumbent Directors, Mr. Robert Reynolds, Mr. John Haggman, and Mr. Roger Howe, have submitted their resignations as Directors effective upon Shareholder approval to appoint the new Directors.

6.6. Pro-Forma Capital Structure

There are currently 370,328,488 Shares on issue in the Company. There are no Options, Share Rights or other securities currently on issue. ASX was notified on June 30, 2016 that the 14,750,000 unquoted Share Rights had expired. In addition, 6,500,000 Options due to expire on the 19 March 2017 were cancelled without consideration as stated in the 2015 Annual Report. The Company's indicative capital structure upon completion of the Restructure Resolutions is set out in the following table:

	Shares	Options/Share Rights
Securities currently on issue (pre-Consolidation basis)	370,328,488	Nil
Securities on issue (post-Consolidation basis)	37,032,849	Nil
BCG LLC Placement Shares and Options (Resolutions 4 & 5)	700,000,000	50,000,000
TOTAL ON ISSUE	737,032,849	50,000,000

The following table sets out the Company's indicative capital structure upon Shareholder approval of the resolutions to be put to the Recapitalisation Meeting.

	Shares	Options/Share Rights
Securities on issue (post Restructure Resolutions)	737,032,849	50,000,000
Creditors Shares*	3,333,333	
Capital Raising - General Offer (offered under a Prospectus)*	600,000,000	300,000,000
Advisor Shares*	33,102,333	
Advisor Options*		1,666,667
TOTAL ON ISSUE	1,373,468,516	351,666,667

The number of shares and options are indicative only and subject to change. They are calculated on the basis of issue price of \$0.03 per share equal to the public offer share price and subject to appropriate ASX waiver.

6.7. Pro-forma Statement of Financial Position (unaudited)

Set below is an unaudited pro-forma Statement of Financial Position of the Company as at 30 June 2016 assuming completion of the Restructure Meeting.

FOR THE YEAR ENDED 30 JUNE 2016

	Note	Unaudited as at 30-Jun-16 \$	Pro-forma if restructure completed \$
Current Assets			
Cash and cash equivalents	1	92,339	99,839
Trade and other receivables		40,018	40,018
Total Current Assets		132,357	139,857
Total Assets		132,357	139,857
Current Liabilities			
Trade and other payables		366,305	366,305
Short term provisions		128,199	128,199
Loan		100,000	100,000
Total Current Liabilities		594,504	594,504
Net Assets		(462,147)	(454,647)
Equity			
Issued capital	2,3	15,130,534	15,130,534
Options reserve	2	0	500
Accumulated losses		(15,592,681)	(15,592,681)
Total Equity		(462,147)	(454,647)

The above pro-forma statement of financial position was prepared assuming completion of the following transactions (and the statement should be read in conjunction with these notes):

1. Successful effectuation of the DOCA executed on 16 January 2016. See details of the DOCA and the Recapitalisation Proposal in section 6.3.
2. Consolidation of capital on a 1 share for each 10 shares held basis. This will reduce the issued shares from 370,328,488 to 37,032,849.
3. Issue of 700,000,000 shares for \$7,000 and 50,000,000 options for \$500. This will increase the number of shares on issue from 37,032,849 to 737,032,849 shares.

6.8. Effect of the Recapitalisation Proposal

For the purposes of this Explanatory Memorandum, the information below is for the consideration of Shareholders. The Company's Shares were last traded on ASX on 27 August 2015 and a voluntary administrator was appointed to the Company on 14 September 2015. Accordingly, historic ASX Share trading prices for the Company are not considered a reliable basis to assess the value of the Shares proposed to be issued pursuant to the Recapitalisation Proposal.

Due to the Company's current state of affairs, the lack of profit history and the immediate lack of a reliable future cash flow from any remaining assets, maintainable earnings are not considered a reliable basis to assess the value of the Company's Shares.

The Deed Administrator estimates that, on a liquidation basis, there is a deficiency of funds and the Creditors may receive a nil return if the Recapitalisation Proposal does not proceed (and no alternative proposal is received or the DOCA varied). Therefore, on a liquidation basis, the Shareholders' return from the Company is most likely to be nil. Accordingly, the current implicit value of the Company's Shares as at the date of this Notice is nil.

6.9. Reinstatement to Official Quotation

The Company's securities have been suspended from official quotation since 2 September 2015.

Completion of the Restructure Resolutions, the subject of this Notice, the DOCA, Recapitalisation meeting and exit from external administration will not place the Company in a position to seek reinstatement of its securities to the Official List. The Company will first be required to re-comply with Chapters 1 and 2 of the Listing Rules, following the Recapitalisation meeting and subsequent capital raising.

7. RESOLUTION 3: CONSOLIDATION OF CAPITAL

7.1. General

Resolution 3 seeks Shareholder approval to consolidate the number of Shares on issue on a ten (10) for one (1) basis (**Consolidation**).

The Company intends to implement the Consolidation prior to the proposed issues of Securities pursuant to Resolutions 4 and 5, but the Consolidation will only occur if the Restructure Resolutions are passed.

If Resolution 3 is passed and excluding any Securities issued pursuant to the other Resolutions, the number of Shares on issue will be reduced from 370,328,488 to 37,032,849 (subject to rounding and before any other Resolutions are passed).

7.2. Legal Requirements

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

7.3. Fractional entitlements

Not all Shareholders will hold that number of Shares which can be evenly divided by 10. Where a fractional entitlement occurs, the Company will round that fraction up to the nearest whole Share.

7.4. Taxation

It is not considered that any taxation implications will exist for Shareholders arising from the Consolidation. However, Shareholders are advised to seek their own tax advice on the effect of the Consolidation and the Company does not accept any responsibility for the individual taxation implications arising from the Consolidation.

7.5. Holding Statements

From the date of the Consolidation, all holding statements for Shares will cease to have any effect, except as evidence of entitlement to a certain number of Shares on a post-Consolidation basis. After the Consolidation becomes effective, the Company will arrange for new holding statements for Shares to be issued to holders of those Shares.

It is the responsibility of each Shareholder to check the number of Shares held prior to disposal.

7.6. Effect on Capital Structure

The approximate effect which the Consolidation will have on the Company's current capital structure is set out in the table below.

Security	Current	Post-consolidation
Shares	370,328,488	37,032,849
Options & Share Rights*	Nil	Nil

*14,750,000 Share Rights issued on 23 February 2015 were cancelled on July 1, 2016.

The Company's indicative capital structure after the issue of all of the Securities pursuant to the other Resolutions in the Notice is set out in Section 6.6 of this Explanatory Memorandum.

7.7. Consolidation Timetable

If Resolution 3 is passed, the Consolidation will take effect in accordance with the following timetable (as set out in Appendix 7A (paragraph 8) of the Listing Rules). The Company's Shares will continue to remain suspended from Official Quotation until such time as all of the terms and conditions of the DOCA have been satisfied and the Company has complied with all pre-quotations requirements of ASX. Accordingly, there will be no trading in the Company's Shares until the Company has been reinstated to Official Quotation.

Event	Date
Company announces to ASX that Shareholders have approved the Consolidation.	Day 0 16 Dec 2016
Last day for Company to register transfers of securities on a pre-Consolidated basis.	Day 3 21 Dec 2016
First day for the Company to send notice to each security holder. First day for the Company to register securities on a post-Consolidation basis and the first day for issuing holding statements.	Day 4 22 Dec 2016
Dispatch date Last day for securities to be entered into the holders' security holdings and new holding statements to be issued. Last day for sending notice to each security holder.	Day 8 30 Dec 2016

Note:

The above dates are indicative only. Subject to the Corporations Act, the ASX Listing Rules and other applicable laws, the Company reserves the right to vary any of the above dates and times without notice.

8. RESOLUTION 4: ISSUE OF BCG LLC PLACEMENT SHARES AND BCG LLC PLACEMENT OPTIONS

8.1. Background

As required under the DOCA and the Recapitalisation Proposal, the Company intends to issue:

- 700,000,000 Shares (on a post-Consolidation basis) to the BCG LLC Members at an issue price of \$0.00001 per Share to raise \$7,000 (**BCG LLC Placement Shares**); and
- 50,000,000 Options (on a post-Consolidation basis) to the BCG LLC Members at an issue price of \$0.00001 per Option to raise \$500 (**BCG LLC Placement Options**).

There are three members of BCG LLC, namely Broughton Vale Holdings Pty Ltd (an entity controlled by a related party to Mr. Mitchell McGeorge, a Proposed Director), Xinhua Network Ltd (an entity controlled by Mr. Choi Yuk Chor), and Star Prospect Ltd (an entity controlled by Mr. Ho Wai Yu) (**BCG LLC Members**).

The BCG LLC Members, together with BCGA, are the proponents of the Recapitalisation Proposal which was approved by the Company's Creditors through the DOCA, and is detailed in Section 6.3.

Resolution 4 seeks Shareholder approval under item 7 of section 611 of the Corporations Act for the acquisition by the BCG LLC Members of a relevant interest in the BCG LLC Placement Shares and the BCG LLC Placement Options in accordance with the terms of the DOCA and as set out below.

Listing Rule 7.1 provides that (subject to certain exceptions) the prior approval of Shareholders is required for an issue of securities if the securities will, when aggregated with the securities issued by the entity during the previous 12 months, exceed 15% of the number of the securities at the commencement of that 12 month period.

Listing Rule 7.2 (exception 16) provides that where the shareholders of the entity have approved the issuance of the securities for the purposes of item 7 of section 611 Corporations Act, the issue will be treated as having been made with approval for the purpose of Listing Rule 7.1, so that the entity's 15% capacity is not reduced. Accordingly, if the Resolution is passed by Shareholders, the issue of the BCG LLC Placement Shares and BCG LLC Placement Options will not reduce the Company's ability to issue new Shares for other purposes (without Shareholder approval) during the next 12 months.

The individual interest to be acquired by Broughton Vale Holdings Pty Ltd, a related party of the Company by virtue of being controlled by Mr. Mitchell McGeorge, a Proposed Director is the subject of Resolution 5.

Resolution 4 is an ordinary resolution and is subject each of the other Restructure Resolutions being passed.

If Resolution 4 (together with the other Restructure Resolutions presented herein) is not passed, then the Deed Administrator shall, in the absence of an alternative proposal, be likely to recommend to the creditors that the Company be placed into liquidation.

8.2. Shareholder approval – Item 7 of section 611 of the Corporations Act

Pursuant to section 606(1) of the Corporations Act, a person must not acquire a relevant interest in issued voting shares in a listed company if the person acquiring the interest does so through a transaction in relation to securities entered into by or on behalf of the person and because of the transaction, that person's or someone else's voting power in the company increases:

- (a) from 20% or below to more than 20%; or
- (b) from a starting point that is above 20% and below 90%.

The voting power of a person in a body corporate is determined in accordance with section 610 of the Corporations Act. The calculation of a person's voting power in a company involves determining the voting shares in the company in which the person and the person's associates have a relevant interest.

A person (second person) will be an 'associate' of the other person (first person) if one or more of the following paragraphs applies:

- (a) the first person is a body corporate and the second person is:
 - (i) a body corporate the first person controls;

a body corporate that controls the first person; or

- (ii) a body corporate that is controlled by an entity that controls the person;
- (b) the second person has entered or proposes to enter into a relevant agreement with the first person for the purpose of controlling or influencing the composition of the Company's board or the conduct of the Company's affairs;
- (c) the second person is a person with whom the first person is acting or proposed to act, in concert in relation to the Company's affairs.

A person has a relevant interest in securities if they:

- (a) are the holder of the securities;
- (b) have the power to exercise, or control the exercise of, a right to vote attached to the securities; or
- (c) have power to dispose of, or control the exercise of a power to dispose of, the securities.

It does not matter how remote the relevant interest is or how it arises. If two or more people can jointly exercise one of these powers, each of them is taken to have that power.

Item 7 of section 611 of the Corporations Act provides an exception to the prohibition, whereby a person may make an otherwise prohibited acquisition of a relevant interest in a company's voting shares with shareholder approval.

The following information is required to be provided to Shareholders under the Corporations Act and ASIC Regulatory Guide 74 in respect of obtaining approval for Item 7 of Section 611 of the Corporations Act for Resolutions 4 and 5.

Shareholders should carefully read this Section of the Explanatory Memorandum regarding Resolution 4.

8.2.1. Reason why section 611 approval is required

Shareholder approval under item 7 of the section 611 of the Corporations Act is required because the BCG LLC Members are arguably acting in concert in relation to the BCG LLC Placement and BCG LLC Option Placement.

After all of the DOCA terms and conditions have been satisfied (including completion of the BCG LLC Placement and BCG LLC Option Placement and Convergent's acquisition of BCG LLC), the BCG LLC Members will no longer be acting in concert. However, for the present purpose of the approval required under this Resolution 4, it is arguable that their three individual interests should be aggregated.

Accordingly, the relevant interest of the BCG LLC Members in the Company after implementation of all Resolutions the subject of this Notice may exceed 20% of the issued capital of the Company.

8.3. Specific information required by section 611 item 7 of the Corporations Act and ASIC Regulatory Guide 74

8.3.1. Relevant interests and voting power

The table set out below shows the maximum percentage of Shares to which the BCG LLC Members will be entitled and the voting power of the BCG LLC Members after implementation of all Resolutions in this Notice:

Shareholder	Existing Shares (post-Consolidation)	BCG LLC Placement Shares	BCG LLC Placement Options	Total Maximum Shares ²	Maximum Voting Power ³
Broughton Vale Holdings Pty Ltd (controlled by a related party to Mitchell McGeorge) ¹	-	372,750,000	26,625,000	399,375,000	50.7%
Xinhua Network Ltd (controlled by Mr. Choi Yuk Chor) ¹	-	267,750,000	19,125,000	286,875,000	36.5%
Star Prospect Ltd (controlled by Mr. Ho Wai Yu) ¹	-	59,500,000	4,250,000	63,750,000	8.1%
Other Shareholders (existing and new)	37,032,849	-	-	-	4.7%
TOTAL	37,032,849	700,000,000	50,000,000	787,032,849	100%

Notes:

¹ Each BCG LLC Member is deemed to hold a relevant interest in the Securities held by each other BCG LLC Member.

² Assumes the 50,000,000 BCG LLC Placement Options have been exercised.

³ Assumes that no other Securities are issued in addition to those outlined in this Notice. However, the maximum voting power of the BCG LLC Members will fall upon the successful capital raising, as further securities would be issued (subject to Shareholder Approval at the Recapitalisation Meeting) as detailed in Section 6. Upon successful completion of the capital raise, the BCG LLC Members would have maximum voting power of 50.9% on an undiluted basis (assuming none of the Options issued pursuant to the Recapitalisation Proposal are exercised). Upon successful completion of the capital raise, the BCG LLC Members would have maximum voting power of 43.8% on a fully diluted basis (assuming that all Options issued pursuant to the Recapitalisation Proposal are exercised into Shares and that none of the BCG LLC Members participate in any of the issues of securities to be approved at the Recapitalisation Meeting).

The maximum relevant interest in issued voting shares that the BCG LLC Members will hold after implementation of all of the Restructure Resolutions on a fully diluted basis (that is, after exercise of the BCG LLC Placement Options) is 750,000,000 Shares. Therefore, the maximum voting power that the BCG LLC Members will hold after the Recapitalisation Meeting on a fully diluted basis is 43.8%. This represents an increase from 0% to 43.8%.

8.3.2. BCG LLC Members' intentions regarding the future of the Company and regarding the financials of the Company

Other than as disclosed elsewhere in this Explanatory Memorandum, the BCG LLC Members collectively have advised the Company that they:

- (a) intend to make significant change to the Company's business as detailed in the Recapitalisation Proposal which was agreed to by the Company (and summarised in Section 6.4), subject to Shareholder approval at the Recapitalisation Meeting pursuant to Listing Rule 11.1.2 (which concerns changes in the nature or scale of activities conducted by listed entities). In addition, ASX will require the Company to meet the requirements under Chapters 1 and 2 of the Listing Rules, as if the Company was applying for admission to the Official List;
- (b) other than the proposed disposal of some of the Company's existing assets as required under the DOCA, there is no current intention to redeploy any other fixed assets of the Company;
- (c) the Company will be required to raise sufficient capital to fund existing and future operations. To this end, the Company will also seek Shareholder approval at the Recapitalisation Meeting for the issue of further securities to raise capital as detailed in Section 6;
- (d) there are currently no employees of the Company;
- (e) do not intend to increase their relevant interest in the Company other than as detailed in the Recapitalisation Proposal (summarised in Section 6.3 and subject to Shareholder approval at the Second Recapitalisation Meeting);
- (f) do not intend to transfer any asset or interest in assets between the Company and the BCG LLC Members or any person associated with the BCG LLC Members other than the proposed acquisition of BCG LLC by the Company as detailed in the Recapitalisation Proposal (summarized in Section 6.3 and subject to Shareholder approval at the Recapitalisation Meeting); and
- (g) intend to change the Company's existing policies in relation to financial matters in accordance with the proposed significant changes to the Company's business as detailed in the Recapitalisation Proposal (and summarized in Section 6.4), subject to Shareholder approval at the Recapitalisation Meeting. At present, the Company does not intend to pay a dividend. The dividend policy of the Company will be assessed in accordance with the future profitability of the Company's business.

These intentions are based on information concerning the Company, its business and the business environment which is known at the date of this Notice.

8.3.3. Capital structure

The proposed capital structure of the Company following completion of all the transactions the subject of the Notice is set out in Section 6.6 (together with the proposed capital structure following completion of the Recapitalisation Meeting).

8.3.4. Identity, associations and qualifications of the Proposed Directors and the BCG LLC Members

The experience and qualifications of the Proposed Directors, including Mr. Mitchell McGeorge, is set out in the Section 10.

In addition to Broughton Vale Holdings Pty Ltd (an entity controlled by a related party to Mr. McGeorge), the BCG LLC Members are entities controlled by Mr. Choi Yuk Chor, and Mr. Ho Wai Yu. Their experience and qualifications are set out below.

Mr. Choi Yuk Chor (Xinhua Network Ltd)

Mr. Choi (51 years) is a private investor and full-time equities trader on the Hong Kong Stock Exchange. He has over 30 years' experience in global financial markets with a particular focus on the resources, commodities and energy sectors. He is the sole Director of Xinhua Network Ltd, a company registered in Hong Kong.

Mr. Ho Wai Yu (Star Prospect Ltd)

Mr. Ho (59 years) is the Vice Chairman, Company Secretary and Finance Director of Golik Holdings Limited (HKSE: 1118) and is responsible for finance, accounting, information technology development, legal and corporate matters of the group. He is a Fellow Member of Association of Chartered Certified Accountants, an Associate Member of Hong Kong Institute of Certified Public Accountants, a Full Member of Chartered Management Institute in the United Kingdom, a Full Member of Hong Kong Computer Society and a founder and permanent honorable president of the IT Accountants Association. He has over 34 years' experience in finance, accounting, computing, investment and project development.

8.3.5. Directors recommendations

The Directors recommend that Shareholders vote in favour of the Resolution as they consider the proposed restructure and recapitalisation to be in Shareholders' best interests.

8.3.6. Reasons for the proposed issue of securities

The proposed issue of the BCG LLC Placement Shares and BCG LLC Placement Options is one component of the Recapitalisation Proposal that was recommended by the Administrator and accepted by the Company's Creditors on 22 December 2015 (as detailed in Section 6.3).

8.3.7. When will the proposed issue of the BCG LLC Placement Shares and BCG LLC Placement Options occur

The securities will be issued to the BCG LLC Members after approval of the Restructure Resolutions by the Shareholders. It is anticipated that this will occur within a few days of the Shareholder approvals being obtained at the Meeting and following Consolidation.

8.3.8. The material terms of the issue of the BCG LLC Placement Shares and BCG LLC Placement Options

The material terms of the issue of the securities are detailed in Section 8.1 and in the DOCA.

8.3.9. Conditions of the terms of other relevant agreements

Outside of this Notice, the DOCA and the Heads of Agreement (including matters that will be the subject of Shareholder approval at the Recapitalisation Meeting), there are no other agreements, contracts or proposals which are conditional upon, or directly or indirectly dependent on, shareholder agreement between the BCG LLC Members and Convergent. Interest any director has in the issue of the BCG LLC Placement Shares and BCG LLC Placement Options.

8.3.10. No current Directors of the Company or the Deed Administrators have any direct or indirect interest in BCG LLC.

8.3.11. Details about any person who is intended to become a director through the issue of securities

It is intended that the Proposed Directors (who have been nominated by the BCG LLC Members) will become Directors of the Company if shareholders approve the Restructure Resolutions. Refer to Section 10 for further details regarding the Proposed Directors.

8.3.12. Financial Impact

The financial impact of the issue of the BCG LLC Placement Shares and grant of the BCG LLC Placement Options, if approved, is:

- BCG LLC will guarantee the debts of Convergent under a DOCA, whereby BCG LLC will:
 - pay First Tranche Amount of \$100,000;
 - pay Second Tranche Amount of \$200,000; and
 - a share placement to DOCA creditors is to the value of \$100,000 based on a share price of \$0.03 per share, being equal to the public offer share price and subject to appropriate ASX waiver.
- BCG LLC will pay the Company's costs under the DOCA ("BCG LLC to be primarily responsible for, and will meet the costs associated with, undertaking all steps necessary to facilitate a recapitalisation of Convergent, including, preparation of an explanatory memorandum, obtaining necessary consents from relevant authorities (including ASX and ASIC), preparing notice to shareholders of a general meeting, convening and holding the general meeting), but not the Deed Administrators fees and expenses. "Furthermore, BCG LLC will fund the additional costs associated with complying with Chapters 1 and 2 of the Listing Rules so the Company can be reinstated to official quotation on ASX. The total costs (DOCA requirements and ASX relisting) that BCGA will pay are estimated to amount to \$700,000.
- The Company will have approximately \$7,500 in proceeds from the BCG LLC Placement Shares and Options available for general working capital purposes ahead of the Recapitalisation Meeting.
- If all of the BCG LLC Placement Options are exercised, the Company will have approximately \$1,500,000 (based on \$0.03 per share) available for working capital purposes and for the purpose of acquiring oil and gas development and production assets and associated activities in North America (if the resolutions the subject of the Recapitalisation Meeting are approved by Shareholders).

8.3.13. An analysis of whether the proposed issue of securities to BCG LLC Members is fair and reasonable when considered in the context of the interests of the Shareholders

- (a) Where item 7 of Section 611 of the *Corporations Act* applies to a transaction (see Section 8.2) it is usual that an independent expert's report (IER) is put before shareholders to enable them to assess the fairness and reasonableness of the proposed transaction to non-associated shareholders, particularly in a takeover scenario (which is not the case here). However, in exceptional circumstances, such a report is not required, particularly, as in this case, when the delay or expense of provision thereof would be likely to force the Company into immediate liquidation which would mean that the information contained therein would obviously not be the same or would not be of material relevance to shareholders. Accordingly, the Company provides the information set out hereunder which contains the information which would otherwise be contained in an IER, to enable shareholders to assess the fairness and reasonableness of the transaction to non-associated shareholders.
- (b) **Valuation of the BCG LLC Placement Shares:**
- (i) In Voluntary Administration, the Administrator assessed that BCG LLC's DOCA proposal meant that the "Company may continue its existence" rather than being wound up, whereby "the expected return to creditors from the Company's winding up (liquidation) is significantly less in quantum than that possible through a DOCA". This implies that the value of the Company to Shareholders would be nil unless the DOCA Completion occurs.
- (ii) Whilst the cash consideration payable for the BCG LLC Placement Shares amounts to \$7,000, it is noted that BCG LLC will pay the Company's costs under the DOCA agreement as detailed in the ASX announcement dated 16 December 2015 ("Berry Capital and/or BCG LLC to be primarily responsible for, and will meet the costs associated with, undertaking all steps necessary to facilitate a recapitalisation of Convergent, including, for example, preparation of an explanatory memorandum, obtaining necessary consents from relevant authorities (including ASX and ASIC), preparing notice to shareholders of a general meeting, convening and holding the general meeting)." Furthermore, BCG LLC will fund the additional costs associated with complying with Chapters 1 and 2 of the Listing Rules so the Company can be reinstated to official quotation on ASX. The total costs (DOCA requirements and ASX relisting) that BCG LLC will pay are estimated to amount to \$700,000.
- (c) **Valuation of the BCG LLC Placement Options:**
- (i) Section 8.3.12(b) above also applies to the valuation of the BCG LLC Placement Options with the exception of the cash consideration payable by the BCG LLC Members which will amount to \$500.
- (ii) The 3.0 cent (\$0.03) exercise price for the BCG LLC Placement Options is consistent with the proposed issue price for Shares that are proposed to be issued under the General Offer (subject to Shareholder approval at the Recapitalisation Meeting - refer to Section 6.3). It is also consistent with the proposed 3.0 cent (\$0.03) exercise price for the options to be granted under the General Offer (subject to Shareholder approval at the Recapitalisation Meeting - refer to Section 6.3).
- (d) Shareholders will have a reasonable and equal opportunity to participate in any benefits accruing to the holders through participation in the General Offer under a Prospectus (refer to Section 6).
- (e) The Company's Shareholders will vote to approve the transaction (issue of securities to BCG LLC Members) at the Meeting and the BCG LLC Members are not able to vote at the Meeting.
- (f) The Administrators provided an efficient and competitive process to an informed market regarding the Company's recapitalisation whereby the Administrators:
- Advertised the sale of the shell in the *Australian Financial Review* newspaper;
 - Issued Confidentiality Agreements and/or Information Memorandums to 53 parties;
 - Received Expressions of interest and/or offers from 15 parties;
 - Noted that six offers were identified as credible, being sufficiently detailed and generally in accordance with the guidelines;
 - Assessed all offers and/or DOCA proposals received for the purpose of forming an opinion as to which offer/DOCA proposal was in the best interest of creditors and the Company.
- (g) The identity of the persons who will hold a relevant interest in securities for the purpose of Item 7 of Section 611 after approval – See Section 8.3.1.
- (h) Details of the present and future financial impact on the Company if the securities proposed to be issued are issued are as set out in Section 8.3.11.
- (i) Details of the BCG LLC Members' intentions for the future of the Company are as set out in Section 8.3.2.

- (j) The Statement of Financial Position of the Company is as set out in the Administrators' Reports to Creditors of the Company pursuant to Section 439A of the *Corporations Act*.
- (k) Details of disposal of the assets of the Company to a Creditors' Trust are as set out in Section 6.3.
- (l) After taking into account the matters referred to in this information memorandum the present directors, are of the opinion that, in the absence of a superior offer, the proposals in Resolutions 3 and 4 are on balance fair to the non-associated shareholders of the Company.

The present directors are also of the opinion that the successful completion of the recapitalisation process would result in the Company having a future in the oil and gas sector and the financial means to implement it rather than being liquidated with a consequent loss to all the non-associated shareholders and that, although there are significant benefits to the associated shareholders should the recapitalisation be completed, there are also attendant risks to them in the promotion and re-establishment of the Company which the present non-associated shareholders are not being now called upon to take and that the proposed resolutions are therefore also reasonable for non-associated shareholders of the Company.

9. RESOLUTION 5: ISSUE OF BCG LLC PLACEMENT SHARES AND BCG LLC PLACEMENT OPTIONS TO BROUGHTON VALE HOLDINGS PTY LTD

9.1. General

Subject to Shareholder approval of Resolution 6, Mr. Mitchell McGeorge will be appointed as a Director of the Company (a **Proposed Director**). If Resolutions 4 and 6 are approved, Broughton Vale Holdings Pty Ltd, a company controlled by a related party to Mr. McGeorge will be issued 372,750,000 BCG LLC Placement Shares (at an issue price will be \$0.00001 per BCG LLC Placement Share) and 26,625,000 BCG LLC Placement Options (at an issue price of \$0.00001 per BCG LLC Placement Option).

The issue of the Broughton Vale Holdings Securities forms part of the BCG LLC Placement Shares and will not be in addition to the issue of these Securities.

9.2. Chapter 2E of the Corporations Act and ASX Listing Rule 10.11

Pursuant to Section 228(2) of the Corporations Act, a director is a related party of a public company. In addition, Section 228(6) of the Corporations Act provides that a person or entity is a related party of the Company if the person or entity believes or has reasonable grounds to believe that it is likely to become a related party of the Company at any time in the future.

Accordingly, Broughton Vale Holdings Pty Ltd, an entity controlled by a related party to Mr. Mitchell McGeorge, a Proposed Director, is deemed to be a related party of the Company.

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

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

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

In addition, Listing Rule 10.11 also requires shareholder approval to be obtained where an entity issues, or agrees to issue, securities to a related party, or a person whose relationship with the entity or a related party is, in ASX's opinion, such that approval should be obtained unless an exception in Listing Rule 10.12 applies.

It is the view of all present Directors that the exceptions set out in sections 210 to 216 of the Corporations Act and Listing Rule 10.12 may not apply in the current circumstances. Accordingly, Shareholder approval is sought for the issue of the Broughton Vale Holdings Securities.

Approval pursuant to Listing Rule 7.1 is not required for the issue of the Broughton Vale Holdings Securities as approval is being sought under Listing Rule 10.11. Accordingly, the issue of the Broughton Vale Holdings Securities will not be included in the use of the Company's 15% annual placement capacity pursuant to Listing Rule 7.1.

9.3. Shareholder approval – Chapter 2E of the Corporations Act and Listing Rule 10.11

Pursuant to and in accordance with the requirements of sections 217 to 227 of the Corporations Act and Listing Rule 10.13, the following information is provided in relation to the proposed issue of the Broughton Vale Holdings Securities:

- (a) The related party is Broughton Vale Holdings Pty Ltd, an entity controlled by a related party to Mr. Mitchell McGeorge. It will be a related party by virtue of section 228(6) of the Corporations Act, as described above.
- (b) The maximum number of Broughton Vale Holdings Securities (being the nature of the financial benefit being provided) is set out in Section 9.1 above.
- (c) The Broughton Vale Holdings Securities will be issued to Broughton Vale Holdings Pty Ltd no later than one month after the date of the General Meeting (or such later date as permitted by any ASX waiver or modification of the Listing Rules) and it is anticipated all the Broughton Vale Holdings Securities will be issued to Broughton Vale Holdings Pty Ltd on the one date.
- (d) The Broughton Vale Holdings Securities will be issued to Broughton Vale Holdings Pty Ltd at the issue prices stated in Section 9.1 above. Accordingly, of the \$7,000 to be raised from the BCG LLC Placement Shares and the \$500 from the BCG LLC Placement Options, approximately \$3,728 from Shares and \$266 from Options will be raised from Broughton Vale Holdings Pty Ltd. It is intended to use the funds raised for general working capital purposes.
- (e) The BCG LLC Placement Shares to be issued to Broughton Vale Holdings Pty Ltd will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares.
- (f) The BCG LLC Placement Options to be issued to Broughton Vale Holdings Pty Ltd will be unlisted Options in the capital of the Company and, if exercised, will lead to the issue of one Share for each Option and each such Share will be issued on the same terms and conditions as the Company's existing Shares.
- (g) The BCG LLC Placement Options to be issued to Broughton Vale Holdings Pty Ltd will each be exercisable at 3.0 cents (\$0.03) per BCG LLC Placement Option on or before the date that is two (2) years after their issue on the terms and conditions set out in Schedule 2.
- (h) The value of the BCG LLC Placement Options, including those to be issued to Broughton Vale Holdings Pty Ltd, and the pricing methodology is set out in Schedule 2.
- (i) A voting exclusion statement is included in the Notice.
- (j) Mr. Mitchell McGeorge has no relevant interest in the Company's Securities at the date of this Notice.
- (k) The remuneration and emoluments from the Company as at the date of this Notice to Mr. Mitchell McGeorge for both the current financial year and previous financial year are set out below:
Current Financial Year: nil
Previous Financial Year: nil
- (l) If the BCG LLC Placement Options to be issued to Broughton Vale Holdings Pty Ltd are exercised, a total of 26,625,000 Shares would be issued. As the BCG LLC Placement Options to be issued to Broughton Vale Holdings Pty Ltd are part of the 50,000,000 BCG LLC Placement Options, there will be no increase in the number of BCG LLC Placement Options on issue as a result of the issue of the BCG LLC Placement Options to be issued to Broughton Vale Holdings Pty Ltd. However, there will be an increase in the number of Shares on issue as a result of the issue and exercise of the BCG LLC Placement Options as a whole from 737,032,849 to 787,032,849 (post-Consolidation and assuming all Resolutions the subject of this Notice are passed).
Section 8.3.1 sets out the dilutionary effect of the issue of the BCG LLC Placement Shares and the issue and exercise of the BCG LLC Placement Shares as a whole.
- (m) The Company's Shares have been suspended from trading on the ASX since 2 September 2015. The closing price of the Shares on ASX on its final day of trade is set out below:
27 August 2015: \$0.01
- (n) All present Directors do not consider that there are any significant opportunity costs to the Company or benefits foregone by the Company in issuing the Broughton Vale Holdings Securities upon the terms proposed.

10. RESOLUTIONS 6, 7, 8 and 9: ELECTION OF DIRECTORS

Resolutions 6, 7, 8 and 9 seek the election of Mr. Mitchell McGeorge, Dr. Scott Brownlaw, Mr. John Reader and Mr. Vick Dusik as Directors pursuant to the Constitution of the Company.

Resolutions 6, 7, 8 and 9 are a Condition of the DOCA, whereby, pursuant to the DOCA:

- the retirement of the existing Directors of the Company;
- the appointment of the Proposed Directors; and

- that a resolution of Shareholders noting and effecting these changes of Directors is passed.

Resolutions 6, 7, 8 and 9 are ordinary resolutions and are subject to each of the Restructure Resolutions being passed.

If Resolutions 6, 7, 8 and 9 (together with the other Restructure Resolutions) is not passed, then the Deed Administrator shall, in the absence of an alternative proposal, have no other option but to recommend to the creditors that the Company be placed into liquidation.

Mr. Mitchell McGeorge

Mitchell is Managing Director of Berry Capital Group, a specialist natural resources and infrastructure group with a unique and integrated business model, partnering with resources and commodity producers at the upstream, midstream and downstream stages of their business chain. Mitchell has over 25 years' experience in resources, capital markets, advisory and trading with extensive experience in the North American oil and gas markets. Building on experience gained as an Officer in the Australian Army, Mitchell is known as a strong, effective and disciplined leader. Mitchell has previously held senior positions at Salomon Smith Barney, State Bank Victoria, Commonwealth Bank of Australia, Merrill Lynch and IAG Asset Management.

Dr. Scott Brownlaw

Scott is a senior oil and gas executive with over 20 years' experience in the global energy sector including roles as Chief Executive Officer and General Manager of ASX listed companies. He is a dynamic leader with a strategic focus that has enabled him to successfully grow businesses in a rapidly changing resources market. Scott is a qualified Geoscientist with a particular focus on carbonate sedimentology, biostratigraphy and paleontology. Scott brings together the technical skills of a Chief Geologist with the management and leadership skills of an experienced public company Chief Executive Officer. Scott has also held positions at Santos, BP Australia, Rawson Resources and AED Oil.

Mr. John Reader

John is a registered professional engineer (APEGA) and member of the Society of Petroleum Engineers (SPE) with over 36 years of resource industry experience in the fields of exploration, engineering (reservoir and operations), business development, financing and various senior and executive management roles. John has held various senior management roles within Chevron Canada and subsequently served as a senior executive officer in Equal Energy, a TSX and NYSE-listed public company. John has extensive experience in both Western Canada and the Mid-Continent region of the US, which are the two regions that the Company will focus upon (subject to Shareholder approval at the Recapitalisation Meeting and DOCA Completion).

Mr. Vick Dusik

Vick is a Chartered Accountant who has had a long and distinguished career as a Managing Partner at Ernst & Young Canada, as a Public Company Chief Financial Officer and as a Public Company Director in the North American Energy Industry. Vick worked at Ernst & Young for over 30 years including being Director Business Risk Consulting Western Canada, leading the North American Centre of Excellence for Ernst & Young Risk Management Services to the Electric and Gas Utility Sector. He was also Managing Partner of the Calgary Office including leading over 200 staff in the provision of a broad range of services including audit, taxation, accounting, consulting, business risk, corporate reorganisation, business valuations and acquisitions and divestures with a particular focus on the oil and gas industry. Vick has also been Chief Financial Officer at Maxim Power Corp and Run of River Power Inc., both listed on the Toronto Stock Exchange. Vick has also been a Director of the TSX listed Taylor NGL Income Trust as well as the TSX and NYSE dual-listed Equal Energy Ltd, who had significant operations in Western Canada and the Mid-Con region of the US. Vick has qualifications in Chartered Business Valuer, Chartered Accountancy, MBA and ICD.D. He is also a member of the Institute of Chartered Accountants of Alberta and Manitoba, Canadian Institute of Chartered Business Valuers and Institute of Corporate Directors.

11. RESOLUTION 10: CHANGE OF COMPANY NAME

Section 157(1)(a) of the Corporations Act provides that a company may change its name if the company passes a special resolution adopting a new name.

Resolution 10 seeks the approval of Shareholders for the Company to change its name to "East West Energy Limited".

If Resolution 10 is passed the change of name will take effect when ASIC alters the details of the Company's registration upon DOCA Completion.

The Company proposes this change of name on the basis that it will more accurately reflect the future operations of

the Company once all of the DOCA terms and conditions have been satisfied.

The “East West Energy” business name is registered and owned by BCGA.

Resolution 10 is a special resolution. For a special resolution to be passed, at least 75% of all votes cast by Shareholders present and eligible to vote (whether in person, by proxy, by attorney or by corporate representative) must be in favour of the resolution.

Resolution 10 is subject to each of the other Restructure Resolutions being passed.

If Resolution 10 (together with the other Restructure Resolutions) are not passed, then the Deed Administrator shall, in the absence of an alternative proposal, have no other option but to recommend to the Creditors that the Company be placed into liquidation.

Schedule 1 - Glossary

\$ means Australian dollars.

Associate has the meaning given by sections 10 to 17 of the Corporation Act.

Administrators means Alan Hayes and Christian Spowles of Hayes Advisory as joint and several Administrators as the context requires.

Advisor means those professional persons engaged to assist the process of recapitalising the Company.

AEST means Australian Eastern Standard Time, being the time in Sydney, New South Wales.

ASIC means the Australian Securities and Investments Commission.

ASX means the ASX Limited (ACN 008 624 691) or the Australian Securities Exchange operated by ASX Limited, as the context requires.

BCGA Pty Ltd means Berry Capital Group (Australia) Pty Ltd (ACN 077 997 918).

BCG LLC means BCG E&P No.1 LLC.

BCG LLC Members means Broughton Vale Holdings Pty Ltd (an entity controlled by a related party to Mr. Mitchell McGeorge, a Proposed Director), Xinhua Network Ltd (an entity controlled by Mr. Choi Yuk Chor), and Star Prospect Ltd (an entity controlled by Mr. Ho Wai Yu).

BCG LLC Placement Options means 50,000,000 Options (on a post-Consolidation basis) to the BCG LLC Members at an issue price of \$0.00001 per Option to raise \$500.

BCG LLC Placement Shares means 700,000,000 Shares (on a post-Consolidation basis) to the BCG LLC Members at an issue price of \$0.00001 per Share to raise \$7,000.

Board means the board of Directors of the Company as constituted from time to time.

Broughton Vale Holdings Securities means those securities issued to Broughton Vale Holdings Pty Ltd as a BCG LLC member, which forms part of the BCG LLC Placement Shares and Options and will not be in addition to the issue of these securities.

Business Day has the meaning given in the Listing Rules.

Chair means the person appointed to chair the Meeting.

Company means Convergent Minerals Ltd (Subject to Deed of Company Arrangement) (ACN 120 909 953).

DOCA Completion means the performance of the transactions contemplated by the DOCA which are summarised in Section 6.3.

Consolidation means the 1 for 10 consolidation of the Company's Shares as set out in Resolution 3.

Constitution means the constitution of the Company.

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

Creditor means any creditor whose claim against the Company is admitted by the Trustee under the Creditors' Trust Deed.

Creditors Shares means the Shares to be issued to the Deed Administrator as trustee for the Creditors' Trust, for eventual distribution to the Creditors through the Creditors' Trust in exchange for a release of their claims against the Company.

Creditors' Trust means the creditors' trust established pursuant to the Creditors' Trust Deed for the purposes of satisfying approved creditor claims.

Creditors' Trust Deed means the trust deed entered into by the Deed Administrator as Trustee, pursuant to the terms of the DOCA, for and on behalf of the Company's creditors on 14 January 2016.

Deed Administrator means Alan Hayes of Hayes Advisory Pty Ltd in his capacity as administrator of the DOCA.

Director means a director of the Company.

DOCA means the Amending Deed dated 18 November 2016 between the Company, the Deed Administrator, BCG LLC and BCGA.

Explanatory Memorandum means the explanatory memorandum which accompanies and forms part of the Notice.

General Offer means the Company's proposal to raise \$18,000,000 via a public offer of up to 600,000,000 Shares at an issue price of \$0.03 per Share offered under a Prospectus (subject to appropriate ASX waiver).

Listing Rules means the listing rules of ASX.

Meeting has the meaning given in the introductory paragraph of the Notice.

Broughton Vale Holdings Securities means the 372,750,000 BCG LLC Placement Shares and 26,625,000 BCG LLC Placement Options to be issued to Broughton Vale Holdings Pty Ltd

Notice means this notice of general meeting.

Official List means the official list of ASX.

Option means an option which entitles the holder to subscribe for one Share.

Option holder means the holder of an Option.

Placement Shares means the Shares to be issued pursuant to the Share Placement.

Proposed Directors means Mr. Mitchell McGeorge, Dr. Scott Brownlaw, Mr. John Reader and Mr. Vick Dusik.

Proxy Form means the proxy form attached to the Notice.

Recapitalisation Proposal means the proposal by BCGA and BCG LLC for the recapitalisation of the Company as described in Section 6.3.

Related party has the meaning given to that term in the Corporations Act.

Resolutions means the Resolutions referred to in the Notice or any one of them, as the context requires.

Restructure Resolutions means Resolutions 3 to 10 in the current Notice.

Schedule means a schedule to the Notice.

Second Recapitalisation Meeting means a subsequent meeting of Shareholders at which further resolutions pertaining to the Recapitalisation Proposal and DOCA (in addition to the Recapitalisation Resolutions) will be put to Shareholders.

Section means a section of the Explanatory Memorandum.

Securities mean all equity securities of the Company.

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

Shareholder means the holder of a Share.

Schedule 2 - Terms and Conditions of BCG LLC Placement Options

The BCG LLC Placement Options entitle the holder to subscribe for Shares on the following terms and conditions:

1. Entitlement

Each BCG LLC Placement Option (**Option**) gives the Option holder the right to subscribe for one Share upon exercise of the Option.

2. Exercise Price and Expiry Date

Each Option has an exercise price of \$0.03 (**Exercise Price**) (price per option will equal the share price offered under a Prospectus) and will expire at 5.00pm (AEST) on the date that is 2 years after their issue (**Expiry Date**). Any Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

3. Notice of Exercise

An Option holder may exercise their Options by lodging with the Company, on or prior to the Expiry Date:

- (a) in whole or in part, and if exercised in part, multiples of 1,000 must be exercised on each occasion;
- (b) a written notice of exercise of Options specifying the number of Options being exercised; and
- (c) a cheque or electronic funds transfer for the Exercise Price for the number of Options being exercised. Cheques shall be in Australian currency made payable to the Company and crossed "Not Negotiable". An Exercise Notice is only effective when the Company has received the full amount of the Exercise Price in cleared funds.

4. Timing of issue of Shares

Within 10 Business Days of receipt of the Exercise Notice accompanied by the Exercise Price, the Company will issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Exercise Notice.

5. Shares issues on exercise

All Shares issued upon the exercise of Options will upon issue rank equally in all respects with the then issued Shares.

6. Quotation of Shares on exercise

The Company will apply for official quotation on ASX of all Shares issued upon exercise of Options within 10 Business Days after the date of issue of those Shares.

7. Quotation of Options

The Options will be unlisted upon grant. No application for quotation of the Options will be made.

8. Options transferrable

The Options will be transferable subject to compliance with the Corporations Act.

9. Participation in new issues

There are no participation rights or entitlements inherent in the Options and Option holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options. However, the Company will give the holders of Options notice of the proposed issue prior to the date for determining entitlements to participate in any such issue.

10. Adjustment for bonus issues of Shares

If the Company makes a bonus issue of Shares or other securities to existing Shareholders (other than an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment):

- (a) the number of Shares which must be issued on the exercise of an Option will be increased by the number of Shares which the Option holder would have received if the Option holder had exercised the Option before the record date for the bonus issue; and
- (b) no change will be made to the Exercise Price.

11. Adjustment for entitlement issue

If the Company makes an issue of Shares pro rata to existing Shareholders (other than an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment) the Exercise Price of an Option will be reduced according to the following formula:

$$\text{New exercise price} = \frac{O - E[P - (S + D)]}{N + 1}$$

Where:

O = the old Exercise Price of the Option.

E = the number of underlying Shares into which one Option is exercisable.

P = average market price per Share weighted by reference to volume of the underlying Shares during the 5 trading days ending on the day before the ex rights date or ex entitlements date.

S = the subscription price of a Share under the pro rata issue.

D = the dividend due but not yet paid on the existing underlying Shares (except those to be issued under the pro rata issue).

N = the number of Shares with rights or entitlements that must be held to receive a right to one Share.

12. Adjustments for Reorganisation

If there is any reorganisation of the issued share capital of the Company, the rights of the Option holder may be varied to comply with the Listing Rules which apply to a reorganisation of capital at the time of the reorganisation.

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CONVERGENT MINERALS LIMITED

ABN 56 120 909 953

PROXY FORM

APPOINTMENT OF PROXY

I/We

being a Shareholder of Convergent Minerals Limited entitled to attend and vote at the General Meeting, hereby

Appoint

Name of Proxy

or failing the person so named or, if no person is named, the Chairman of the Meeting or the Chairman's nominee, to vote in accordance with the following directions or, if no directions have been given, as the proxy sees fit at the Meeting to be held at Berry Capital Group, Level 17, Australia Square, 264-278 George Street on the 16 December, 2016 and at any adjournment thereof.

Voting on Business of the General Meeting

	FOR	AGAINST	ABSTAIN	EXCLUDED
Resolution 1 Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2 Ratification of Prior Share Issue of 20,000,000 shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3 Consolidation of Capital on a 10 to 1 basis	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4 Issue of BCG LLC Placement shares and BCG LLC Placement Options	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5 Issue of BCG LLC Placement Shares and BCG LLC Placement Options to Broughton Vale Holdings PTY LTD	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6 Election of Mr. Mitchell McGeorge as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 7 Election of Dr. Scott Brownlaw as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 8 Election of Mr. John Reader as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 9 Election of Mr. Vick Dusik as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 10 Change of Company Name	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Chairman intends to vote available undirected proxies in FAVOUR of each Resolution. In exceptional circumstances. The Chairman may change his voting intention on any Resolution, in which case an ASX announcement will be made.

If you mark the abstain box for a particular item, you are directing your proxy not to vote on that item on a show of hands or on a poll and that your Shares are not to be counted in computing the required majority on a poll.

If two proxies are being appointed, the proportion of voting rights this proxy represents is _____%

Please return this Proxy Form to Advanced Share Registry Services, by hand delivery to 110 Stirling Highway, Nedlands WA 6009, or by post to PO Box 1156, Nedlands WA 6909, or by fax to (08) 9262 3723 by 10 am (EST) on 14 December 2016.

Signed this day _____ of _____ 2016.

By:
Individuals and joint holders

Companies (affix common seal if appropriate)

Signature

Signature Director

Signature

Director/Secretary

Signature

Sole Director and Sole Secretary

CONVERGENT MINERALS LIMITED

ACN 120 909 953

Instructions for Completing Proxy Form

1. **(Appointing a Proxy):** A Shareholder entitled to attend and vote at the Meeting is entitled to appoint not more than two proxies to attend and vote on a poll on their behalf. The appointment of a second proxy must be done on a separate copy of the proxy form. Where more than one proxy is appointed, such proxy must be allocated a proportion of the Shareholder's voting rights. If a Shareholder appoints two proxies and the appointment does not specify this proportion, each proxy may exercise half the votes. A duly appointed proxy need not be a Shareholder of the Company.

2. **(Direction to Vote):** A Shareholder may direct a proxy how to vote by marking one of the boxes opposite each item of business. Where a box is not marked the proxy may vote as they choose. Where more than one box is marked on an item the vote will be invalid on that item. Please refer to the voting exclusions for each Resolution for the directions that must be given to proxies in relation to each Resolution.

3. **(Signing Instructions):**
 - **(Individual):** Where the holding is the one name, the Shareholder must sign.
 - **(Joint Holding):** Where the holding is in more than one name, all of the Shareholders should sign.
 - **(Power of Attorney):** If you have not already provided the power of attorney to 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, that person must sign. Where the Company (pursuant to section 204A of the Corporations Act) does not have a company secretary, a sole Director can also sign alone. Otherwise, a Director jointly with either another Director or a company secretary must sign. Please sign in the appropriate place to indicate the office held.

4. **(Attending the Meeting):** Completion of a proxy form will not prevent individual Shareholders from attending the Meeting in person if they wish. Where a Shareholder completes and lodges a valid proxy form and attends the Meeting in person, then the proxy's authority to speak and vote for that Shareholder is suspended while the Shareholder is present at the Meeting.

5. **(Return of Proxy Form):** To vote by proxy, please complete and sign the enclosed Proxy Form and return to Advanced Share Registry Services:
 - by post, to PO Box 1156, Nedlands WA 6909; or
 - by hand delivery, to 110 Stirling Highway, Nedlands WA 6009; or
 - by facsimile, to (08) 9262 3723; or

so that it is received not less than 48 hours prior to commencement of the Meeting.

Proxy Forms received later than this time will be invalid.