

21 November 2023

# PERFORMANCE RIGHTS

## HIGHLIGHTS

- Annualised staffing costs reduced by 23% with increasing cost management efforts
- Issue of 11,680,000 Performance Rights G

## CALIMA ENERGY LIMITED (ASX:CE1 / OTC: CLMEF)

Maintaining and attracting team members can be a challenge into today's market place with staff shortages across all disciplines. To align the interest of stakeholders; the Company intends to issue performance shares to all team members including permanent contractors, field staff, office staff, management and directors. Together with the issue of performance shares, overall cash staff costs have reduced over the last 12 months by consolidating and reorganizing responsibilities which has enabled an overall reduction in annualised staffing costs by 23%. As outlined in the most recent AGM the Company will continue to use medium dated performance rights as a mechanism to align employees and consultants with stakeholder interests. 7.7 million Performance Class D securities will expire (not vested) in December 2023 the Board has resolved to issue 11,680,000 Performance Rights G. 7,230,000 Performance Rights will be issued immediately with the remaining balance of 4,450,000 subject to shareholder approval; KMP allottees summarised below:

Allottee	Class G Performance Rights
Karl DeMong*	1,700,000
Glenn Whiddon*	1,000,000
Mark Freeman*	1,000,000
Lonny Tetley*	750,000
Executives / Field and Office Staff	7,230,000
Total	11,680,000

\* securities awards are subject to shareholder approval.

As was previously disclosed in the ASX announcement released on 26 June 2023 and the Company's Half Year Report that was released on 13 September 2023 the Company has received three unsolicited non-binding offers for the purchase of certain of the Company's assets in the Brooks and Thorsby areas and anticipates receiving additional proposals for these assets. This creates significant doubt and uncertainty within the team and the Board believes the issuance of these Class G Performance Rights are appropriate to ensure retention and a positive work environment.

### Terms of the Performance Rights Class G (PFG):

- 50% will time vest following continued service of the holder as a consultant or employee of the Company for 12 months from 1 December 2023;
- 50% will time vest following continued service of the holder as a consultant or employee of the Company for 24 months from 1 December 2023;
- Performance Rights expire 3 years from issue date; and
- Notwithstanding the provisions above, all securities will vest immediately and become exercisable upon a change of control or a sale of the Brooks or Thorsby Assets with sales values exceeding \$A80 million.

The Company's currently issued securities are set out below:

Number	Class	Vesting Condition	Expiry Date
625,720,769	Ordinary Shares		
2,500,000	Class C Performance Rights	CE1 20-day VWAP of at least 30 cents	30/04/2026
7,703,750	Class D Performance Rights	CE1 20-day VWAP of at least 25 cents	13/12/2023
516,000	Class F Performance Rights	67% vest following continued service on 13/06/2024 33% vest following continued service 13/6/2025	13/06/2026
1,756,250	Class F Performance Rights	100% vest following continued service on 13/06/2024	13/06/2026
10,950,000	Options exercisable @ 20 cents	66% vested; and 34% vest following continued service 30 April 2024. Options will only become exercisable 3 months post vesting.	30/04/2026
2,500,000	Options exercisable @ 20 cents	nil	30/04/2026
1,500,000	Options exercisable @ 16 cents	nil	13/10/2025
1,000,000	Options exercisable @ 16 cents	nil	30/11/2024
1,500,000	Options exercisable @ 20 cents	nil	30/11/2024
850,000	Options exercisable @ 20 cents	nil	31/01/2027

For further information visit [www.calimaenergy.com](http://www.calimaenergy.com) or contact:

This release has been approved by the Board. For further information visit [www.calimaenergy.com](http://www.calimaenergy.com) or contact:

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