

9 July 2018

## APPOINTMENT OF CEO AND MANAGING DIRECTOR

**Red Sky Energy Limited (ASX: ROG)** is pleased to announce the appointment of Mr Andrew Knox as its new CEO and Managing Director, commencing with immediate effect.

Andrew has over 35 years of experience in the upstream oil and gas sector. He has worked extensively throughout Australasia, South East Asia and North America with several entities.

He was formerly CFO of Cue Energy Resources Limited, a position he had held for 22 years. His prior role was CFO at Cultus Petroleum Limited.

Andrew has significant experience in financial and commercial activities, involving acquisitions, M&A and strategy. He is a chartered accountant (CA ANZ), public accountant (CPA Australia) and a fellow of the Australian Institute of Company Directors (FAICD). He holds a Bachelor of Commerce degree from the University of Western Australia.

Commenting on the appointment, Red Sky's Chairman, Mr Guy Le Page, said:

*"Andrew brings a wealth of oil and gas exploration and operational experience to Red Sky. We believe Andrew is well positioned to assemble a very capable team to bring Red Sky's newly acquired Innamincka project back into production and fully exploit the potential of these quality Cooper Basin assets"*

Andrew Knox said:

*"I am very excited to take up this opportunity. Starting with the Innamincka assets, my objective is to build Red Sky into a successful exploration and production company for the benefit of all shareholders."*

Key terms of Mr Knox's Employment Services Agreement and his brief biography are attached.

Any queries regarding this announcement should be directed to the Company on +613 96140600 or e-mail: [admin@redskyenergy.com.au](mailto:admin@redskyenergy.com.au)

Media queries should be directed to Tim Duncan, Hintons, 0408 441 122

## CHIEF EXECUTIVE OFFICER AND MANAGING DIRECTOR – SUMMARY EMPLOYMENT TERMS

Name:	Mr Andrew Knox
Position:	Chief Executive Officer and Managing Director
Start Date:	6 July 2018
Term:	Permanent, commences on the commencement date.
Services:	Direct involvement of the Company's business and the administration of the Company's business affairs.
Remuneration:	<p>Base Salary \$156,000 per annum plus superannuation, reviewed annually.</p> <p>In additional to annual reviews, Mr Knox's Base Salary may:</p> <ul style="list-style-type: none"><li>(a) Increase to \$312,000 per annum plus superannuation upon the Company's EBITDA exceeding \$2,000 per day for 90 consecutive days (average);</li><li>(b) Increase to \$468,000 per annum plus superannuation upon the Company's EBITDA exceeding \$4,000 per day for 90 consecutive days (average); and</li><li>(c) Increase to \$624,000 per annum plus superannuation upon the Company's EBITDA exceeding \$6,000 per day for 90 consecutive days (average).</li></ul>
Short Term Incentives:	<p>Mr Knox may, at the discretion of the Board, receive short term incentives subject to his performance during a relevant period measures against key performance indicators to be set periodically be the Board and Mr Knox.</p> <p>All short-term incentive proposed to be received by Mr Knox will be subject to all shareholder and/or regulatory approvals being received.</p>
Long Term Incentives:	<p>Subject to receipt of required shareholder and/or regulatory approval, the Company proposes issuing Mr Knox three tranches of fully paid ordinary shares upon, and subject to satisfaction of the conditions as set out below:</p> <ul style="list-style-type: none"><li>• 10,000,000 fully paid ordinary shares 10 business days after the VWAP of the Company's shares over 14 consecutive days on which trades in the Company's shares are recorded meets or exceeds 200% of the price on the Start Date;</li></ul>

- 10,000,000 fully paid ordinary shares 10 business days after the VWAP of the Company's shares over 14 consecutive days on which trades in the Company's shares are recorded meets or exceeds 400% of the price on the Start Date; and
- 10,000,000 fully paid ordinary shares 10 business days after the VWAP of the Company's shares over 14 consecutive days on which trades in the Company's shares are recorded meets or exceeds 800% of the price on the Start Date.

Each of the issue of shares set out above are subject to the Company obtaining prior requisite shareholder and/or regulatory approvals.

Termination - The Company may terminate Mr Knox's engagement by giving not less than six (6) months written notice to Mr Knox, or upon payment to Mr Knox of six (6) months' Base Salary in lieu of notice.

The Company may also terminate Mr Knox without notice where Mr Knox:

- in the reasonable opinion of the Company, commits an act of wilful dishonest, fraud, wilful disobedience or gross misconduct, or makes a false representation to the Company;
- voluntarily resigns as a Director of the Company;
- is prohibited by law from acting as a director;
- is convicted of a criminal offence involving fraud or dishonesty;
- becomes bankrupt or makes any arrangement or composition with his creditors;
- in the reasonable opinion of the Company, becomes of unsound mind or comes under the control of any committee or officer under any law relating to mental health; or
- in the reasonable opinion of the Company, wilfully refuses or neglects to comply with any lawful and reasonable direction or order given to him by the Board which, after receipt of prior notice, he fails to rectify within 14 days.

The Employment Services Agreement between Mr Knox and the Company otherwise contains terms typical of arrangements of this kind, including provisions in relation to confidentiality and a restraint of trade in favour of the Company in the event Mr Knox ceases to be engaged by the Company (which may be waived by the Company at its discretion).

### **Mr Andrew Knox Biography Summary**

While studying, Mr Knox commenced his career in oil and gas working on oil rigs in Indonesia. After university he joined Coopers & Lybrand chartered accountants in the audit division working predominantly on resource clients before joining the upstream corporate sector.

He has been involved in many acquisitions, stock exchange listings and fund raisings in multiple jurisdictions around the world as well as exploration, developments and operations. Mr Knox has been a director of several public resource companies, predominantly in oil and gas.

### **About Red Sky Energy Limited**

Red Sky Energy Limited is an independent Australian incorporated public company based in Melbourne, Australia and listed on the Australian Stock Exchange (Code: ROG)

The Company's principal activities are the exploration for and production of hydrocarbons.

The current assets include 100% working interest in the Gold Nugget gas production in Wyoming, USA however ROG is currently active in seeking to acquire near field development assets onshore and offshore in Australasia and South East Asia.