



**HARDMAN RESOURCES LTD**

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**STOCK EXCHANGE / MEDIA RELEASE**

**RELEASE DATE:** 19 December 2006

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**PAGES:** 17

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**FEDERAL COURT APPROVES SCHEME OF ARRANGEMENT FOR  
THE ACQUISITION OF HARDMAN BY TULLOW**

Hardman Resources Limited ("Hardman"; ASX: HDR; LSE: HNR) advises that the Federal Court of Australia today issued Orders approving the Scheme of Arrangement relating to the proposed acquisition of Hardman by Tullow Oil plc (LSE: TLW) which had been agreed to by Hardman shareholders (excluding Tullow Oil plc) at a general meeting on 18 December 2006.

The Scheme will become effective once a copy of the Court Orders referred to above are lodged by Hardman with the Australian Securities and Investments Commission, tomorrow, 20 December, 2006.

A copy of the Court Orders is attached.

**Richard O'Shannassy**  
**Company Secretary**

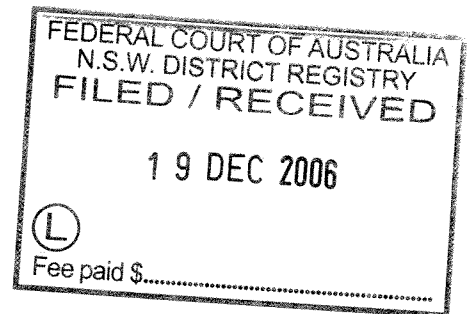
IN THE FEDERAL COURT OF AUSTRALIA  
NEW SOUTH WALES DISTRICT REGISTRY

No: (P)NSD2188/2006

HARDMAN RESOURCES LTD ACN 009 210 235  
Plaintiff

**ORDER**

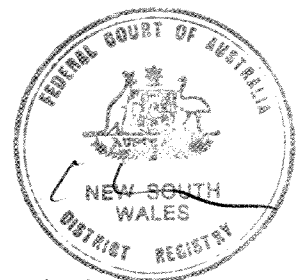
**JUDGE:** Justice Emmett  
**DATE OF ORDER:** 19 December 2006  
**WHERE MADE:** Sydney



**THE COURT ORDERS THAT:**

1. Pursuant to section 411(4)(b) of the *Corporations Act* 2001 (Cth) (**Corporations Act**), the scheme of arrangement between the Plaintiff and holders of ordinary shares issued in the Plaintiff (other than Excluded Shareholders as defined therein), a copy of which is annexed to these orders and marked "A", is approved (**Scheme**).
2. Pursuant to section 411(12) of the *Corporations Act*, the Plaintiff be exempted from compliance with section 411(11) of the *Corporations Act* in relation to the Scheme.
3. These orders be entered forthwith.

Date that entry is stamped: 19 DEC 2006



Deputy District Registrar

## Scheme of Arrangement

Pursuant to section 411 of the *Corporations Act 2001*.

BETWEEN

**Hardman Resources Limited**

ABN 98 009 210 235

of Level 1, 50 Kings Park Road, West Perth, WA 6005

**(Hardman)**

AND

The holders of fully paid ordinary shares in Hardman  
(other than Excluded Shareholders) as at the Scheme  
Record Date

## 1 Definitions and interpretation

### 1.1 Definitions

The meanings of the terms used in this scheme of arrangement are set out below.

Term	Meaning
<b>AIM</b>	the Alternative Investment Market of the London Stock Exchange PLC.
<b>ASIC</b>	the Australian Securities and Investments Commission.
<b>ASX</b>	the Australian Stock Exchange Limited (ABN 98 008 624 691).
<b>Business Day</b>	a business day as defined in the Listing Rules and on which trading takes place on London Stock Exchange plc.
<b>Cash Consideration</b>	A\$2.02 cash (as reduced by the amount of any dividend or other accretion per Hardman Share declared or paid by Hardman after the date of this agreement) for each Scheme Share held by a Scheme Shareholder electing to receive Cash Consideration in accordance with the terms of the Scheme.

<b>CHESS</b>	the clearing house electronic sub-register system of share transfers operated by ASX Settlement and Transfer Corporation Pty Ltd (ABN 49 008 504 532).
<b>Corporations Act</b>	the <i>Corporations Act 2001</i> (Cth).
<b>Court</b>	the Federal Court of Australia or such other court of competent jurisdiction under the Corporations Act agreed to in writing by Hardman and Tullow.
<b>CREST</b>	the relevant system (as defined in the Regulations) in respect of which CRESTCo Limited is the Operator (as defined in the Regulations).
<b>Deed Poll</b>	the deed poll dated 14 November 2006 executed by Tullow in favour of the Scheme Shareholders.
<b>Effective</b>	when used in relation to the Scheme, the coming into effect, under section 411(10) of the Corporations Act, of the order of the Court made under section 411(4)(b) in relation to the Scheme.
<b>Effective Date</b>	the date on which the Scheme becomes Effective.
<b>Election</b>	has the meaning under clause 5.2.
<b>Election Time</b>	has the meaning under the Scheme Implementation Agreement.
<b>Election Form</b>	the election form provided with the Scheme Booklet sent to Hardman Shareholders (other than Excluded Shareholders) under which each Hardman Shareholder (other than Excluded Shareholders) is requested to elect to receive either the Scrip Consideration or the Cash Consideration in respect of some or all of their Hardman Shares.
<b>End Date</b>	14 February 2007.
<b>Excluded Shareholder</b>	any Hardman Shareholder who is a member of the Tullow Group or any Hardman Shareholder who holds a Hardman Share on behalf of, or for the benefit of, any member of the Tullow Group.
<b>Hardman Registry</b>	Security Transfer Registrars Pty Ltd ABN 95 008 894 488 in respect of Hardman Shares quoted on the ASX and Computer Share Investor Services plc (Bristol) in respect of Hardman Shares quoted on AIM.
<b>Hardman Share</b>	a fully paid ordinary share of Hardman.

<b>Hardman Shareholder</b>	a person who is registered as the holder of a Hardman Share.
<b>Implementation Date</b>	the sixth Business Day after the Scheme Record Date.
<b>Ineligible Foreign Shareholder</b>	<p>a Scheme Shareholder whose address shown in the Share Register is a place outside Australia and its external territories, the United Kingdom or New Zealand unless Tullow determines that:</p> <ol style="list-style-type: none"><li>1 it is lawful and not unduly onerous or impracticable to issue that Scheme Shareholder with Tullow Shares when the Scheme becomes Effective; or</li><li>2 it is lawful for that Scheme Shareholder to participate in the Scheme by the law of the relevant place outside Australia and its external territories, the United Kingdom or New Zealand.</li></ol>
<b>Listing Rules</b>	the official Listing Rules of the ASX.
<b>Marketable Parcel</b>	a marketable parcel as defined by the Market Rules of the ASX.
<b>Master Transfer Form</b>	the master transfer form for the transfer of all Scheme Shares to Tullow.
<b>New Tullow Share</b>	a fully paid ordinary share in Tullow to be issued under the Scheme.
<b>Option Holder</b>	any person who is registered in the register of optionholders of Hardman as a holder of an Option.
<b>Option Plan</b>	the plan as set out in the Hardman prospectus for the issue of 6,250,000 options dated 24 December 2003.
<b>Options</b>	any options issued under the Option Plan.
<b>Performance Right Holder</b>	any person who is registered in the register of performance rights holders of Hardman as a holder of a Performance Right.
<b>Performance Rights</b>	the rights granted to participants in the Hardman Long Term Incentive Plan pursuant to the terms of the Hardman Long Term Incentive Plan.
<b>Registered Address</b>	in relation to a Hardman Shareholder, the address shown in the Share Register.
<b>Regulations</b>	the Uncertified Securities Regulations 2001 (S1 2001 No. 3755) of the United Kingdom, as amended.
<b>Scheme</b>	this scheme of arrangement under Part 5.1 of the Corporations Act

between Hardman and the Scheme Shareholders.

<b>Scheme Booklet</b>	has the meaning under the Scheme Implementation Agreement.
<b>Scheme Consideration</b>	the consideration to be provided by Tullow to each Scheme Shareholder for the transfer to Tullow of each Hardman Share, as set out in clause 4.2 of the Scheme Implementation Agreement.
<b>Scheme Implementation Agreement</b>	the Scheme Implementation Agreement dated 25 September 2006 between Hardman and Tullow (as amended on 13 November 2006 and 14 November 2006).
<b>Scheme Record Date</b>	7.00pm (Sydney time) on the sixth Business Day after the Effective Date.
<b>Scheme Share</b>	a Hardman Share held by a Scheme Shareholder (other than by an Excluded Shareholder).
<b>Scheme Shareholder</b>	each Hardman Shareholder (other than an Excluded Shareholder) as at the Scheme Record Date (taking into account registration of all registrable transfers and transmission applications as required by clause 7).
<b>Scrip Consideration</b>	0.22289 New Tullow Shares for each Scheme Share held by a Scheme Shareholder electing to receive Scrip Consideration in accordance with the terms of the Scheme and allocated in accordance with the terms of the Scheme and the Deed Poll.
<b>Scrip Consideration Cap</b>	65,000,000 New Tullow Shares.
<b>Scrip Election</b>	has the meaning under clause 5.5(a).
<b>Second Court Date</b>	the first day on which the application made to the Court for an order for the purposes of section 411(4)(b) of the Corporations Act approving the Scheme is heard.
<b>Share Register</b>	the register of members of Hardman.
<b>Sydney time</b>	the local time in Sydney, New South Wales
<b>Trustee</b>	Hardman as trustee for the Scheme Shareholders to the extent those Scheme Shareholders elect to receive Cash Consideration.

<b>Tullow</b>	Tullow Oil plc.
<b>Tullow Group</b>	Tullow and each of its subsidiaries and a reference to a “member of the Tullow Group” is to Tullow or any of its subsidiaries.
<b>Tullow Memorandum and Articles of Association</b>	the Memorandum and Articles of Association of Tullow.
<b>Tullow Register</b>	the register of members of Tullow.
<b>Tullow Shares</b>	fully paid ordinary shares of 10 pence each in the capital of Tullow.
<b>Uncertificated Form</b>	recorded on the relevant register of the share or security concerned as being held in Uncertificated Form in CREST, the title to which, by virtue of the Regulations may be transferred by means of CREST.

## 1.2 Interpretation

In this Scheme, headings and bold type are for convenience only and do not affect interpretation and, unless the context requires otherwise:

- (a) words importing the singular include the plural and vice versa;
- (b) words importing a gender include any gender;
- (c) other parts of speech and grammatical forms of a word or phrase defined in this Scheme have a corresponding meaning;
- (d) a reference to a person includes an individual, the estate of an individual, a corporation, an authority, an association or a joint venture, a partnership, a trust and any government agency;
- (e) a reference to a clause, party, attachment or schedule is a reference to a clause of, and a party, attachment and schedule to this Scheme, and a reference to this Scheme includes any attachment and schedule;
- (f) a reference to a statute, regulation, proclamation, ordinance or by law includes all statutes, regulations, proclamations ordinances or by laws amending, consolidating or replacing it, whether passed by the same or another government agency with legal power to do so, and a reference to a statute includes all regulations, proclamations, ordinances and by laws issued under that statute;
- (g) a reference to any document (including this Scheme) is to that document as varied, novated, ratified or replaced from time to time;
- (h) the word “includes” in any form is not a word of limitation;
- (i) a reference to “\$” or “dollar” is to Australian currency;

- (j) a reference to any time, unless otherwise indicated, is a reference to that time in Sydney, Australia; and
- (k) a term defined in or for the purposes of the Corporations Act has the same meaning when used in this Scheme.

## 2 Preliminary

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- (a) Hardman is a public company registered in Western Australia and is a company limited by shares. Hardman is admitted to the official list of the ASX and AIM and Hardman Shares are officially quoted on the financial markets conducted by the ASX and AIM.
- (b) At 13 November 2006:
  - (1) 727,251,905 Hardman Shares were on issue. There is no other class of shares in the capital of Hardman.
  - (2) 250,000 Options were on issue. There are no other options on issue in relation to Hardman Shares.
  - (3) 1,877,400 Performance Rights were on issue. There are no other rights on issue in respect of Hardman Shares.
- (c) Tullow is a company incorporated under the laws of England and Wales and is a public limited company.
- (d) If the Scheme becomes Effective:
  - (1) Tullow will provide or procure the provision of the Scheme Consideration to Scheme Shareholders in accordance with the Scheme; and
  - (2) all the Scheme Shares held by Scheme Shareholders will be transferred to Tullow and Hardman will enter the name of Tullow in the Share Register in respect of the Scheme Shares held by Scheme Shareholders and Hardman will become an indirect wholly owned subsidiary of Tullow.
- (e) Tullow and Hardman have agreed by executing the Scheme Implementation Agreement to implement this Scheme.
- (f) Tullow has agreed by executing the Deed Poll to pay the Scheme Consideration to Scheme Shareholders in accordance with the terms of the Deed Poll.

## 3 Conditions

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- (a) The Scheme is conditional on all the conditions in clause 3.1 of the Scheme Implementation Agreement (other than the condition in clause 3.1(b)) having been satisfied or waived in accordance with the terms of the Scheme Implementation Agreement by 8.00am on the Second Court Date.



- (b) The satisfaction of clause 3(a) is a condition precedent to the operation of clauses 4.2 and 5.
- (c) The Scheme will lapse and be of no further force or effect if the Effective Date does not occur on or before the End Date or any later date that Hardman and Tullow agree in writing.
- (d) Tullow and Hardman will provide to the Court at the Second Court Date a certificate confirming (in respect of matters within their knowledge) whether or not the conditions precedent in the Scheme Implementation Agreement and this Scheme (other than the condition in clause 3.1(b)) have been satisfied or waived.

## 4 Implementation

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### 4.1. Lodgement of Court orders

Hardman will lodge with ASIC office copies of the Court orders under section 411 of the Corporations Act approving the Scheme by 5.00pm on the next Business Day after the Court approves the Scheme or by 5.00pm on the Business Day on which the Court orders are entered, whichever is later.

### 4.2. Transfer of Scheme Shares

On the Implementation Date:

- (a) subject to the payment of the Cash Consideration in the manner contemplated by clause 5.3 and the issue of the Scrip Consideration in the manner contemplated by clause 5.4(b), the Scheme Shares, together with all rights and entitlements attaching to the Scheme Shares as at the Implementation Date, will be transferred to Tullow, without the need for any further act by any Scheme Shareholder by:
  - (1) Hardman delivering to Tullow duly completed and executed share transfer form or forms to transfer all the Scheme Shares to Tullow; and
  - (2) Tullow duly executing such transfer form or forms and delivering it or them to Hardman for registration; and
- (b) immediately after receipt of the Master Transfer Form, Hardman will enter the name of Tullow in the Share Register in respect of the Scheme Shares.

## 5 Scheme Consideration

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### 5.1. Amount of Scheme Consideration

- (a) The Scheme Consideration in respect of each Scheme Share is either:
  - (1) the Cash Consideration; or

- (2) the Scrip Consideration.
- (b) Each Scheme Shareholder is entitled to receive either Cash Consideration or Scrip Consideration in respect of each Scheme Share held by that Scheme Shareholder. The allocation of each Scheme Shareholder's entitlement to Scheme Consideration as between Cash Consideration and Scrip Consideration will be determined in accordance with their Election and this clause 5.

## **5.2. Election**

- (a) A Scheme Shareholder may make an election (**Election**) to receive either Cash Consideration or Scrip Consideration for all or any of their Scheme Shares by completing the Election Form, such Election being subject to the terms of the Scheme including without limitation clauses 5.5, 5.6, 5.7 and 5.8.
- (b) In accordance with clause 5 of the Scheme Implementation Agreement, Performance Right Holders and Option Holders may elect to receive Cash Consideration or Scrip Consideration for some or all of the shares that will be issued to them pursuant to clause 5.1(a) or 5.2(b) of the Scheme Implementation Agreement by completing the election process set out in this clause 5.2.
- (c) A valid Election may be made by a Scheme Shareholder by returning the Election Form before the Election Time in writing to an address to be specified by Hardman in the Scheme Booklet.
- (d) A Scheme Shareholder may elect to receive Scrip Consideration in respect of all or a specified number of its Scheme Shares and any such election will apply to all or a specified number of the Scheme Shareholder's Scheme Shares as at the Scheme Record Date.
- (e) If a Scheme Shareholder validly elects to receive Scrip Consideration in respect of only some of its Scheme Shares, and makes no Election in respect of the remainder of its Scheme Shares, it will be deemed to have elected to receive Cash Consideration in respect of the remainder of its Scheme Shares.
- (f) if a Scheme Shareholder validly elects to receive Cash Consideration in respect of some of its Scheme Shares, and makes no Election in respect of the remainder of its Scheme Shares, it will be deemed to have elected to receive Cash Consideration in respect of the remainder of its Scheme Shares.
- (g) If a valid Election is not made by a Scheme Shareholder prior to the Election Time, or if no Election is made prior to the Election Time, then that Scheme Shareholder will be deemed to have elected to receive Cash Consideration in respect of all of that Scheme Shareholder's Scheme Shares. For the avoidance of doubt this includes any Scheme Shareholder in respect of any Scheme Shares acquired after the time of the Election Time.
- (h) If a Scheme Shareholder makes a valid Election to receive all or part of its Scheme Consideration as Scrip Consideration, it will receive Scrip Consideration for the lesser of:
- (1) that number of Scheme Shares held by it at the Scheme Record Date; and
- (2) that number of Scheme Shares for which the Scheme Shareholder elected Scrip Consideration,

in each case subject to any scale-back under clause 5.5.

- (i) In the manner considered appropriate by and approved by Hardman (acting reasonably), a Scheme Shareholder who holds one or more parcels of Hardman Shares as trustee or nominee for, or otherwise on account of, another person, may make separate elections in relation to each of those parcels of Hardman Shares.

### **5.3. Cash Consideration under the Scheme**

- (a) After the Effective Date but before the Implementation Date, Hardman must procure Tullow to deposit an amount equal to the aggregate amount of the Cash Consideration payable to all Scheme Shareholders, in cleared funds in a trust account operated by the Trustee, to be held on trust for the Scheme Shareholders, except that any interest on the amount deposited (less bank fees and other charges) shall be to Tullow's account.
- (b) On the Implementation Date and subject to Hardman having complied with clause 5.3(a) and in accordance with the Elections, the Trustee must pay from the account referred to in clause 5.3(a) to each Scheme Shareholder:
  - (1) who does not make an Election, does not make a valid Election or who makes or is deemed to make a valid Election to receive Cash Consideration in respect of all of that Scheme Shareholders' Scheme Shares, such amount of cash as is due to that Scheme Shareholder under clause 5.1 as Cash Consideration in respect of all that Scheme Shareholder's Scheme Shares; and
  - (2) who makes a valid Election to receive both Scrip Consideration and Cash Consideration, or Scrip Consideration in respect of some of that Scheme Shareholder's Scheme Shares or is deemed to make an Election to receive Cash Consideration in respect of some of that Scheme Shareholders Scheme Shares, such amount of cash as is due to that Scheme Shareholder under clause 5.1 as Cash Consideration in respect of the remaining Scheme Shares, for which the Scheme Shareholder has not received Scrip Consideration under clause 5.4(a)(2).
- (c) The amount referred to in clause 5.3(b) must be paid by the Trustee doing any of the following at its election:
  - (1) sending the consideration to the Scheme Shareholders' Registered Address by cheque in Australian currency drawn out of the trust account established in accordance with clause 5.3(a); or
  - (2) depositing or procuring the Hardman Registry to deposit it into an account with any Australian ADI (as defined in the Corporations Act) notified to Hardman (or Hardman's agent who manages the Share Register) by an appropriate authority from the Scheme Shareholders.
- (d) To the extent that there is therefore a surplus in the amount held by the Trustee in the trust account, that surplus may be paid by the Trustee to Tullow following the satisfaction of the Trustee's obligations under clause 5.3.

### **5.4. Scrip Consideration under the Scheme**

- (a) Subject to clauses 5.5, 5.6, 5.7 and 5.8, on or before the Implementation Date, in consideration of the transfer of the Scheme Shares to Tullow, in accordance with the Elections, Hardman must procure Tullow to:

- (1) in relation to each Scheme Shareholder who makes an Election to receive Scrip Consideration in respect of all of that Scheme Shareholder's Scheme Shares, issue such number of New Tullow Shares to which that Scheme Shareholder is entitled under clause 5.1; and
  - (2) in relation to each Scheme Shareholder who makes a valid Election to receive both Scrip Consideration and Cash Consideration, or Scrip Consideration in respect of some of that Scheme Shareholder's Scheme Shares issue to that Scheme Shareholder such number of New Tullow Shares to which that Scheme Shareholder is entitled under clause 5.1.
- (b) The obligations of Hardman under clause 5.4(a) will be satisfied by Hardman procuring that Tullow:
  - (1) issues the requisite number of New Tullow Shares (as determined under this clause 5) to each Scheme Shareholder who elects to receive Scrip Consideration (**Relevant Scheme Shareholder**);
  - (2) sends or procures the dispatch to each Relevant Scheme Shareholder who has elected to receive New Tullow Shares in certificated form, by pre-paid post to its Registered Address at the Scheme Record Date, a share certificate in the name of that Scheme Shareholder representing the total number of New Tullow Shares to be issued to that Scheme Shareholder in accordance with the terms of this Scheme; and
  - (3) procures that there is credited to the relevant CREST account the New Tullow Shares to be issued to each Relevant Scheme Member who has validly elected to receive New Tullow Shares in Uncertificated Form.

## 5.5. Allocation of Scrip Consideration

- (a) If the aggregate number of New Tullow Shares which would be issued by Tullow pursuant to Elections to receive Scheme Consideration in the form of Scrip Consideration (a '**Scrip Election**') if all Scrip Elections were satisfied in full is less than or equal to the Scrip Consideration Cap then each Scheme Shareholder who has made a Scrip Election in respect of some or all of that Scheme Shareholder's Scheme Shares will receive Scrip Consideration in respect of all of the Scheme Shares in respect of which the Scrip Election is made.
- (b) If the aggregate number of New Tullow Shares which would be issued by Tullow pursuant to Scrip Elections if all Scrip Elections were satisfied in full exceeds the Scrip Consideration Cap then Tullow will issue a number of New Tullow Shares to each Scheme Shareholder who has made a Scrip Election determined as follows:

$$N = (S \div A) \times E \times 0.22289$$

where:

- |   |  |
|---|--|
| N | is the number of New Tullow Shares allocated to a Scheme Shareholder who makes a Scrip Election;               |
| S | is the number of New Tullow Shares comprising the Scrip Consideration Cap;                                     |
| E | is the number of Scheme Shares in respect of which a Scrip Election was made by that Scheme Shareholder; and   |
| A | is the aggregate number of Scheme Shares in respect of which a Scrip Election was made by Scheme Shareholders. |

- (c) Any Scheme Shareholder whose entitlement to Scrip Consideration is reduced pursuant to clause 5.5(b) will be deemed to have elected to receive Cash Consideration in relation to the remaining amount of Scheme Consideration owed to them under this Scheme.

## **5.6. Ineligible Foreign Scheme Shareholder**

An Ineligible Foreign Shareholder will be deemed to have elected to receive Cash Consideration in respect of all of that Ineligible Foreign Shareholder's Scheme Shares.

## **5.7. Breach of law**

Where the issue of Tullow Shares to which a Scheme Shareholder would otherwise be entitled would result in a breach of law or breach of a provision of the Tullow Memorandum and Articles of Association:

- (a) Tullow will cause the issue of the maximum possible number of New Tullow Shares to the Scheme Shareholder without giving rise to such a breach; and
- (b) the relevant Scheme Shareholder will be deemed to have elected to receive Cash Consideration in respect of the remaining Scheme Shares held by that Scheme Shareholder.

## **5.8. Fractional Entitlements**

- (a) If a fractional entitlement to a new Tullow Share arises from the calculation of the Scheme Consideration in respect of a Scheme Shareholder, then any such fractional entitlement to a New Tullow Share shall be rounded down to the nearest whole number of New Tullow Shares, and all fractional entitlements will be paid in the form of Cash Consideration.
- (b) If Tullow and Hardman are of the opinion that several Scheme Shareholders, each of which holds a holding of Hardman Shares which results in a fractional entitlement to New Tullow Shares, have, before the Scheme Record Date, been party to a shareholding splitting or division in an attempt to obtain an advantage by reference to the rounding provided for in the calculation of each Scheme Shareholder's entitlement to the Scheme Consideration, Tullow and Hardman may give notice to those Scheme Shareholders:
  - (1) setting out the names and registered addresses of all of them;
  - (2) stating that opinion; and
  - (3) attributing to one of them specifically identified in the notice the Hardman Shares held by all of them,

and, after the notice has been so given, the Scheme Shareholder specifically identified in the notice shall, for the purposes of the Scheme, be taken to hold all those Hardman Shares and each of the other Scheme Shareholders whose names are set out in the notice shall, for the purposes of the Scheme, be taken to hold no Hardman Shares.

## **5.9. Joint holders**

In the case of Scheme Shares held in joint names:

- (a) any Cash Consideration shall be payable to and be forwarded to the holder whose name appears first in the Share Register as at the Scheme Record Date; and
- (b) any New Tullow Shares must be issued to, and registered in the name of the joint holders; and
- (c) the share certificates for the New Tullow Shares must be sent in the case of holders who have validly elected to receive New Tullow Shares in certificated form, to the holder whose name appears first in the Share Register as at the Scheme Record Date.

## 6. Issue and trading

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### 6.1. Issue

- (a) The New Tullow Shares will be duly and validly issued in accordance with the laws of England and Wales and Tullow's Memorandum and Articles of Association, will be issued fully paid and will rank equally in all respects with all other Tullow Shares then issued and outstanding.
- (b) The Scheme Shareholders who elect to receive Scrip Consideration agree to be bound by the Tullow Memorandum and Articles of Association.
- (c) Each Scheme Shareholder shall be deemed to have irrevocably appointed Tullow and each of its directors and officers (jointly and severally) as its attorneys for the purpose of executing any form of application required for the New Tullow Shares.

### 6.2. Trading

Tullow will use its best endeavours to procure that admission of the New Tullow Shares to the Official List of the UK Listing Authority and to trading on the main market of the London Stock Exchange plc will become effective on the Business Day immediately following the Implementation Date.

## 7. Dealings in Hardman Shares

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- (a) To establish the identity of the Scheme Shareholders, dealings in Hardman Shares will only be recognised if:
  - (1) in the case of dealings of the type to be effected using CHESSE, the transferee is registered in the Share Register as the holder of the relevant Hardman Shares on or before the Scheme Record Date; and
  - (2) in all other cases, registrable transmission applications or transfers in respect of those dealings are received on or before the Scheme Record Date at the place where the Share Register is kept.
- (b) Hardman must register registrable transmission applications or transfers of the kind referred to in clause 7(a)(2) on the Scheme Record Date (provided that for the avoidance

of doubt nothing in this clause 7(b) requires Hardman to register a transfer that would result in a Hardman Shareholder holding a parcel of Hardman Shares that is less than a Marketable Parcel).

- (c) Hardman will not accept for registration or recognise for any purpose any transmission application or transfer in respect of Hardman Shares received after the Scheme Record Date.
- (d) For the purpose of determining entitlements to the Scheme Consideration, Hardman must maintain the Share Register in accordance with the provisions of this clause 7(d) until the Scheme Consideration has been paid to the Scheme Shareholders. The Share Register in this form will solely determine entitlements to the Scheme Consideration.
- (e) All statements of holding for Hardman Shares will cease to have effect from the Scheme Record Date as documents of title in respect of those shares and, as from that date, each entry current at that date on the Share Register will cease to have effect except as evidence of entitlement to the Scheme Consideration in respect of the Hardman Shares relating to that entry.
- (f) Within 1 Business Day after the Scheme Record Date Hardman will use reasonable endeavours to ensure that details of the names, Registered Addresses and holdings of Hardman Shares for each Scheme Shareholder are available to Tullow in the form Tullow reasonably requires.

## **8. Quotation of Hardman Shares**

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- (a) It is expected that suspension of trading on the ASX and AIM in Hardman Shares will occur from the close of trading on the day Hardman notifies the ASX and AIM that the Court has approved the Scheme under section 411(4)(b) of the Corporations Act.
- (b) On a date after the Implementation Date to be determined by Tullow, Hardman will apply:
  - (1) for termination of the official quotation of Hardman Shares on the ASX and AIM; and
  - (2) to have itself removed from the official list of the ASX and AIM.

## **9. General Scheme provisions**

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### **9.1. Consent**

If the Court proposes to approve the Scheme subject to any alterations or conditions, Hardman may by its counsel consent on behalf of all persons concerned to those alterations or conditions to which Tullow has consented in writing.

### **9.2. Agreement of Scheme Shareholders**

Each Scheme Shareholder:

- (a) agrees to the transfer of their Hardman Shares in accordance with the Scheme and agrees to the variation, cancellation or modification of the rights attached to their Hardman Shares constituted by or resulting from the Scheme; and
- (b) acknowledges that the Scheme binds all Scheme Shareholders.

### **9.3. Warranties by Scheme Shareholders**

Each Scheme Shareholder is deemed to have warranted to Hardman, in its own right and for the benefit of Tullow that all of their Hardman Shares which are transferred to Tullow under the Scheme will, at the date of transfer of them to Tullow, be fully paid and free from all mortgages, charges, liens, encumbrances and interests of third parties of any kind, and that they have full power and capacity to sell and to transfer their Hardman Shares to Tullow.

### **9.4. Beneficial entitlement to Hardman Shares**

Tullow will be beneficially entitled to the Hardman Shares transferred to it under the Scheme pending registration by Hardman of Tullow in the Share Register as the holder of the Hardman Shares.

### **9.5. Authority given to Hardman**

- (a) Scheme Shareholders will be deemed to have authorised Hardman to do and execute all acts, matters, things and documents on the part of each Scheme Shareholder necessary to implement the scheme, including (without limitation) executing, as agent and attorney of each Scheme Shareholder, a share transfer or transfers in relation to Scheme Shares as contemplated by clause 9.5(b).
- (b) Each Scheme Shareholder, without the need for any further act, irrevocably appoints Hardman and all of its directors, secretaries and officers (jointly and severally) as its attorney and agent for the purpose of executing any document necessary to give effect to the Scheme including without limitation, a proper instrument of transfer of its Scheme Shares for the purposes of section 1071B of the Corporations Act which may be a master transfer of all the Scheme Shares.

### **9.6. Appointment of sole proxy**

Upon the Scheme becoming Effective and until Hardman registers Tullow as the holder of all Hardman Shares in the Share Register, each Scheme Shareholder:

- (a) is deemed to have irrevocably appointed Tullow as attorney and agent (and directed Tullow in such capacity) to appoint an officer or agent nominated by Tullow as its sole proxy and, where applicable, corporate representatives to attend shareholders' meetings, exercise the votes attaching to the Scheme Shares registered in their name and sign any shareholders' resolutions, whether in person, by proxy or by corporate representative (other than as pursuant to this clause 9.6(a)); and
- (b) must take all other actions in the capacity of a registered holder of Scheme Shares as Tullow reasonably directs.



## 10. General

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### 10.1. Stamp duty

Tullow will pay all stamp duty payable in connection with the transfer of the Scheme Shares to Tullow.

### 10.2. Definition of “sending”

For the purposes of clause 5.3(c) and 5.4(b) the expressions “sending” means:

- (a) sending by ordinary pre-paid post or courier to the Registered Address of the Scheme Shareholder at the Scheme Record Date; or
- (b) delivery to the address by any other means at no cost to the recipient.

### 10.3. Definition of “returning”

For the purposes of clause 5.2(c) the expression “returning” means returning the Election Form to the address of the relevant Hardman Registry as set out in the Election Form so that it is received by that Registry by the Election Time.

### 10.4. Notices

If a notice, transfer, transmission application, direction or other communication referred to in this Scheme is sent by post to Hardman, it will not be taken to be received in the ordinary course of post or on a date and time other than the date and time (if any) on which it is actually received at the place where Hardman’s Share Registry is kept.

### 10.5. Governing law

This Scheme is governed by the laws of New South Wales.

### 10.6. Further action

Hardman will execute all documents and do all things necessary to implement and perform its obligations under this Scheme.